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Bhadra 9, 1898 (Saka)

LOK SABHA DEBATES

(Seventeenth Session)

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CONTENTS

No. 15, Tuesday, August 31, 1976/Bhadra 9, 1898 (Saka)

Obituary Reference . . . . . 1—2

Oral Answers to Questions :

*Starred Questions Nos. 282, 283, 285 to 290, 292 and 293 . . 2—29

Written Answers to Questions:

Starred Questions Nos. 284, 291 and 294 to 302 . . . 29—36

Unstarred Questions Nos. 2064 to 2183 . . . . 36—134

Papers laid on the Table . . . . . 134—45

Messages from Rajya Sabha . . . . . 145—46

Code of Criminal Procedure (Amendment) Bill—
As Passed by Rajya Sabha 146

Committee on the Welfare of Scheduled Castes and Scheduled Tribes
Reports of Study Tours, etc. . . . . 146—47

Public Accounts Committee—

Two hundred and twenty-seventh and Two hundred and thirtieth Reports . . . . . 147—48

Committee of Privileges—

Nineteenth and Twentieth Reports 148

Committee on Absence of Members from the Sittings of the House—

(i) Thirtieth Report 148

(ii) Minutes 148

Salaries and Allowances of Members of Parliament (Amendment) Bill —*Introduced* . . . . . 148—52

Kerala Legislative Assembly (Extension of Duration) Second Amendment Bill—

Motion to consider—

Shri B. R. Shukla . . . . . 153—155

*The sign + marked above the name of a Member indicates that the question was actually asked on the floor of the House by that Member.

COLUMNS

Shri N. Sreekantan Nair . . . . . 155—157

Shri G. Viswanathan . . . . . 157—59

Shri C. H. Mohamed Koya . . . . . 159—160

Dr. V. A. Seyid Muhammad . . . . . 160—63

Clauses 2 and 1 164

Motion to pass—

Dr. V. A. Seyid Muhammad 164

Central Sales Tax (Amendment) Bill—

Motion to consider— . . . . . 164—245

Shri Pranab Kumar Mukherjee . . . 165—70, 233—45

Shri C. H. Mohamed Kova . . . . . 170—72

Shri C. M. Stephen . . . . . 173—80

Shri Dinesh Joarder . . . . . 180—84

Shri Hari Singh . . . . . 184—86

Shri D. K. Panda . . . . . 186—90

Shri D N. Tiwary . . . . . 190—92

Shri N. Sreekantan Nair . . . . . 193—94

Sardar Swaran Singh Sokhi . . . . . 194—96

Shri Y. S. Mahajan . . . . . 197—201

Shri Raja Kulkarni . . . . . 201—202

Shri Vayalar Ravi . . . . . 202—206

Shri K. P. Unnikrishnan . . . . . 206—12

Dr. Kailas . . . . . 212—15

Shri Shivaji Rao S. Deshmukh . . . . . 215—19

Dr. Henry Austin . . . . . 219—21

Shri M. C. Daga . . . . . 221—23

Shri Vasant Sathe . . . . . 223—28

Shri Somnath Chatterjee . . . . . 228—33

Clauses 2 to 9 and 1 . . . . . 245—53

COLUMNS

Motion to pass, as amended—

Shri Pranab Kumar Mukherjee 253

Statutory Resolution *re.* Continuation in force of Proclamation in relation to the State of Gujarat—

Shri K. Brahmananda Reddy . . . . . 253—56

Shri Krishna Chandra Halder . . . . . 257—62

Shri Natwarlal Patel 262

LOK SABHA

Tuesday, August 31, 1976/Bhadra 9, 1898 (Saka)

The Lok Sabha met at Eleven of the Clock

[MR. SPEAKER in the Chair]

OBITUARY REFERENCE

MR. SPEAKER: Hon. Members, I have to inform the House of the said demise of Kazi Nazrul Islam, the famous poet, who passed away at Dacca on the 29th August, 1976 at the age of 77.

Born at Churlia village in Burdwan district of West Bengal, Kazi Nazrul Islam attained proficiency in persian, Sanskrit and Urdu at an early age and he started composing songs for a village folk-song party, which gave expression to his poetic calibre and patriotic spirit. Inbued with revolutionary ideas and love for the Liberation of his country, Kazi Nazrul Islam joined the 49th Bengali Regiment in which he served for a brief period till the disbandment of this regiment in 1920. Later, he devoted himself completely to the writing of short stories, dramas and novels which carried the stamp of his revolutionery spirit and ideas and his powerful poetry earned him praise of all. He served as an editor of "Naba Yug", a Bengali daily, for some time and later he worked for "Sevak". Subsequently he started his own weekly 'Dhumketu" wherein he wrote his editorials in verse to arouse the spirit of the masses for liberty and independence. He was prosecuted and sent to jail on charges of sedition where he went on a hunger strike lasting 41 days. Ultimately, poet Rabindranath Tagore persuaded him to give up the fast on the ground "our literature claims you". Typically secular in his outlook and actions, Kazi Nazrul Islam married a Hindu lady but did not compel her to change her religion. He also used to worship Goddess Kali. After his marriage he took interest in politics and helped forming the "Labour Swaraj Party" which was subsequently known as "Workers' and Peasants' Party".

A great poet of his times, Kazi Nazrul Islam was a pioneer of martial songs which infused national spirit by turning the Bengali language into a vibrant and roaring torrent of expression.

We deeply mourn the loss of this great poet whose writings and poems will keep his name and fame alive for generation to come. I am sure the House will join me in conveying our condolences to the bereaved family.

The House may stand in silence for a short while to express its sorrow.

The members then stood in silence for a short while.

ORAL ANSWERS TO QUESTIONS

+

Decision on holding General Elections

*282. SHRI M. KALYANASUNDARAM:
SHRI SOMNATH CHATTERJEE:

Will the Minister of LAW, JUSTICE AND COMPANY AFFAIRS be pleased to state whether Government have taken a decision to hold general elections in 1977?

THE MINISTER OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI H. R. GOKHALE): No decision about the holding of general elections due in 1977 has been taken so far by the Government.

SHRI M. KALYANASUNDARAM: The answer implies that the election is due in 1977. It is reported in the press that in the other House, the Minister of State in the Ministry of Law, Justice and Company Affairs, said that the elections will not be postponed further. Will the hon. minister take this House into confidence and tell us whether the elections will be held as early as possible?

SHRI H. R. GOKHALE: The hon. member said that the answer implies that elections are due in 1977. That is only the constitutional provision. With regard to the statement made by my colleague, Dr. Seyid Muhammad, I do not think that he said that elections will not be postponed. All that he said as far as I could read from the script of his speech in the Rajya Sabha, was that they will be held early. But sometimes such an innocent statement also is taken advantage of by undesirable elements to the country. I do not think my colleague committed himself to one position or the other.

SHRI M. KALYANASUNDARAM: Now in his answer to my supplementary he is wriggling out. I think in the original answer there was some sort of commitment. Now he is getting out of the commitment. I want to know whether there is any proposal under the consideration of the Government to postpone the elections beyond the due date?

SHRI H. R. GOKHALE: As I said just now, there is no proposal at the moment under consideration, either to hold the elections or to postpone the elections.

SHRI SOMNATH CHATTERJEE: May I know from the hon. Minister whether the decision to hold the elections depends on the question of continuation or revocation of the emergency and if the emergency continues whether the elections will be held only later. I know it is the Prime Minister's prerogative, but does it depend on the continuation of the emergency or not?

SHRI H. R. GOKHALE: Various factors are to be taken into account before a decision is taken on the question whether the elections should be held or not. As the hon. Member knows, in the past also elections had been held in emergencies. The existence of the emeregency is only one of the factors which is taken into account.

Railway Lines in Hilly and Backward Areas

*283. SHRI SUKHDEO PRASAD VERMA: Will the Minister of RAILWAYS be pleased to state:

(a) whether Government propose to lay during the Fifth Five Year Plan railway lines in hilly, backward and un-connected areas in the country for their development; and

(b) if so, the outlines thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI BUTA SINGH): (a) and (b). Two statements one showing the new lines/restorations which are at present under construction or have been approved for construction and the other showing survey works in progress for construction of new lines in various States, are laid on the table of the Sabha. [*Placed in Library. See* No. LT-11312/76.] All these lines are located in backward areas and some are in hilly areas. areas.

श्री सुखदेव प्रसाद वर्मा : अध्यक्ष महोदय, मैं माननीय मंत्री जी से जानना चाहता हूं कि नयी लाइन बनाने के लिए जो आप सर्वे कराते हैं उसके लिए क्या रेलवे विभाग स्वत: जांच करता है कि कौन सा इलाका पिछड़ा हुआ है, कौन सा पर्वतीय क्षेत्र है या इस सम्बन्ध मे राज्य सरकारों से सूचना प्राप्त होती हैं ? इसके सर्वेक्षण का क्या आधार है ?

दूसरे आपने गया राजगीर लाइन के लिए लिखा है कि बहुत जल्दी उसका सर्वे प्रारम्भ कर दिया जायेगा—इस सन्दर्भ में मैं जानना चाहता हूं कि बहुत जल्दी का क्या मतलब है ? क्या 1976-77 के दौरान इसका सर्वे प्रारम्भ कर दिया जायेगा—यही इसका अर्थ है ?

साथ ही मैं यह भी जानना चाहता हूं क्या आपके पास कोई ऐसा प्रपोजल है कि बिहार में गया जिले में सिरघाटी, इमामगंज, डोमरिया एक बैकवर्ड और पर्वतीय क्षेत्र है जहां पर डोमरिया में जाने के लिए न तो कोई पक्की सड़क है और न कोई रेलवे है इसलिए इस क्षेत्र में गया से सम्पर्क स्थापित करने के लिए गया-सीननगर रेलवे लाइन खोली जाये ? क्या इस तरह का कोई प्रपोजल आपके विभाग के विचाराधीन है और क्या राज्य सरकार अथवा उस क्षेत्र के लोगों ने इस सम्बन्ध में कोई अभ्यावेदन दिया है ?

श्री बूटा सिंह : कौन सा क्षेत्र पिछड़ा हुआ है उसके लिए राज्य सरकारों की ओर से हमारे पास सूचना आती है। योजना आयोग के पास भी इस तरह की सूची होती है जिसमें पिछड़े इलाकों का जिक्र होता है।

माननीय सदस्य ने जो दूसरा प्रश्न गया-राजगीर लाइन के बारे में उठाया उसका फील्ड स्टडी हम जल्दी ही कार्यक्रम में लेने वाले हैं। जब फील्ड स्टडी हो जायेगा तब उसका सर्वे होगा और उसके बाद ही हम कुछ कह सकते हैं कि वह लाइन लेने के काबिल है या कब तक ली जायेगी। यह प्रश्न बाद में ही पैदा होगा।

SHRI KRISHNA CHANDRA HALDER: In the statement of the Minister in the first list there is item No. 5, Rail link to Haldia port. But in the second list there is no specific reference to Mejia, so far as survey work is concerned. We know that the Geological survey of India had reported large deposits of coal there. It is a backward area. I want to know whether the Government has any proposal to link *Haldia Port viz* Bankura and Mejia with Raniganj, whether any survey is going on or whether there is any proposal to construct such a rail link.

SHRI BUTA SINGH. As given out in the first list, the rail link to Haldia Port in West Bengal State has been taken as one of the lines in the backward areas, but as I stated, unfortunately the funds placed at the disposal of the railways are not even sufficient to complete the works that are already taken up by the railways.

SHRI SYED AHMED AGA: I want to know why Goverment is persisting in ignoring the Kashmir valley. It is truly backward, there is no doubt about it. We do not have any industry in Kashmir because we do not have any railway line. We cannot integrate that part of the country with the rest of the country because there is no railway line. Railway line is the first thing that is necessary. So, I want to understand why the Government is persisting in ignoring our demand for a railway line. There was a survey long ago during the British regime for a railway line *via* Riasi. What are they doing about it? It only involves a tunnel of 8 miles. It is not difficult.

SHRI BUTA SINGH: I agree with the hon. Member about the importance of the Srinagar valley being linked with the rest of the country, and there is a proposal, if you read the list for the backward areas, to link Jammu and Udhampur. This is about 56.10 k.m. in length, and the estimated cost is about Rs. 40.65 crores. If the funds are given, we are more anxious than the hon. Member to take it up.

MR. SPEAKER: I see a large number of hon. Members standing up. I think we cannot deal with this in the Question Hour. I would suggest that the hon. Minister invite all the Mem-

bers who want to put questions, and discuss this matter with them.

THE MINISTER OF RAILWAYS (SHRI KAMLAPATI TRIPATHI): Your instructions will be carried out, but may I tell you that all these questions were raised in the Consultative Committee and replies have been given?

MR. SPEAKER: The hon. Minister has kindly agreed to invite all of you.

SHRI DINEN BHATTACHARYYA: I want a clarification. Items 18 and 20 in the list have been hanging fire for a long time. Several assurances were given, but nothing has been done.

SHRI DARBARA SINGH: The hon. Minister should invite the Members of the backward areas and discuss all these questions with them.

MR. SPEAKER: You can give your names to the hon. Minister, he will invite all of you, those who want to put questions, and discuss this matter. That is a better way of dealing with it.

SHRI KAMLAPATI TRIPATHI: They are all invited, they are welcome

Transfer of 10 per cent of Profits of Companies to Reserves

*285. SHRI C. K. CHANDRAPPAN: Will the Minstry of LAW, JUSTICE AND COMPANY AFFAIRS be pleased to state:

(a) whether Government have decided to limit profits of the companies for transfer to reserves to 10 per cent;

(b) if so, salient features thereof; and

(c) how far this would affect the companies which are set up with foreign collaboration?

THE MINISTER OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI *H. R. GOKHALE*): (a) *No*, Sir. While sub-section (2A) of Section 205 introduced by the Companies (Amendment) Act, 1974, requires that a company, before declaring or paying dividends for any financial year, must transfer to its reserves a percentage of its profits for the year, not exceeding 10 per cent, as may be prescribed, the proviso to this sub-section allows the voluntary transfer of a higher percentage of its profits to reserves, in accordance with the rules to be made in this behalf. These rules have already been notified by the Central Government on 26th July, 1975 and were subsequently amended on 24th July, 1976. The rules and the subsequent amendments were laid on the table of the House on 6th August, 1975 and 17th August, 1976 respectively.

(b) and (c). Do not arise.

SHRI C. K. CHANDAPPAN: The answer given by the hon. Minister is a highly technical one. It is very difficult to understand what exactly it means because it quotes so many rules and all that. I would like the hon. Minister to explain to the House. According to 1974 enactment, an amount not exceeding 10 per cent from the profit is directed to be ploughed back into the reserve fund. Would the Government explain to us as to for what purposes this money will be utilised, whether the company has a right to utilise that amount for anything or it is a kind of blocking that amount from circulation?

SHRI H. R. GOKHALE: I appreciate the hon. Member's difficulty about knowing exactly what the provision of law is because the question itself seems to indicate that there is a limit on profits when there is none. Actually, what happens is that when the profits are made, there has been a tency in the past to distribute all the profits as dividends. In the Joint Committee which was constituted, before the Bill was passed, this question was considered exhaustively and it was of the view that it was in the interest of the company and, therefore, ultimately in the interest of the shareholders themselves that the company should build up certain reserves.

Now, all that the provision in the law is that before profits are distributed as dividends, a certain percentage of profits shall be transferred to the reserves but not exceeding 10 per cent The maximum that will be required to be transferred to the reserves will be 10 per cent But I may indicate to the hon Member that now, under the rules the percentages for various levels of transference to reserves have already been indicated If the dividend proposed is above 10 per cent but not exceeding 12 5 per cent they must transfer to the reserve not less than 2 5 per cent, if the dividend is above 12 5 per cent but not exceeding 15 per cent, they must transfer 5 per cent, if it is 15 per cent but not exceeding 20 per cent they must transfer 7 5 per cent and if it is exceeding 20 per cent, they must transfer the maximum that is 10 per cent

As to for what purposes the reserves can be used the reserves can be used for various purposes They can be used for modernisation for rehabilitation for research and development and for various other purposes They can also be used in appropriate and legitimate cases for issue of bonus shares

SHRI C K CHANDRAPPAN While discussing the question of compulsory deposit scheme the Government was saying that it was also asking the industry to sacrifice for the benefit of the country to contain inflation In this context may I know whether there is any proposal under consideration by which the Government will ask the companies to deposit a certain percentage of their profits with the Government as they have asked the workers to do it

SHRI H R GOKHALE No Sir

DR RANEN SEN In his reply the hon Minister has said that this reserve fund may be utilised by the companies for research and development for modernisation and all that May I know whether the Government has got any mechanism to check up whether the reserve fund is properly utilised for the purpose for which the fund has been developed? Because our experience has been that in many industries like jute and cotton textiles, instead of utilising the reserve fund for modernisation or some such thing the fund has been mis-utilised or eaten up

SHRI H R GOKHALE It may have been there to a certain extent before the passing of the Amendment Act in 1974 But there are enough regulations and restrictions now under the Act which can control the actions of the company in this regard

SHRI SOMNATH CHATTERJEE May I know from the hon Minister whether in view of the proposed law permitting donations by companies to political parties there will be reconsideration or refixing of the guidelines and limits as in the Company Rules and in the Companies Act so far as maintenance of general reserves is concerned?

SHRI H R GOKHALE I do not think that this question has any relevance to the question of limiting the reserves

SHRI SOMNATH CHATTERJEE Donations may be paid from general reserves

SHRI H R GOKHALE Not necessarily they can be made from out of profits also

SHRI SOMNATH CHATTERJEE A portion of the profits goes to the reserves

MR SPEAKER Has the Companies (Amendment) Bill been passed?

SHRI H R GOKHALE Not yet

SHRI SOMNATH CHATTERJEE It was circulated it was there in the agenda but now it has been removed from the order paper

SHRI H. R. GOKHALE: It has not been removed. It has not come because there are other urgent items.

All India Judicial Service

*286. SHRI RAJDEO SINGH: Will the Minister of LAW, JUSTICE AND COMPANY AFFAIRS be pleased to state:

(a) whether Government have decided to constitute an All India Judicial Service; and

(b) if so, what steps Government propose to take in this direction?

THE MINISTER OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI H. R. GOKHALE): (a) Not yet, Sir.

(b) Does not arise.

SHRI RAJDEO SINGH: The answer to the first part of my question, namely, 'Not yet, Sir', indicates that the proposal is there in the cooking stage. If so, may I know when we can expect its materialisation?

SHRI H. R. GOKHALE: First of all, the question of making the necessary provision in the Constitution for this purpose will be discussed by the House when the Constitution Amendment comes for consideration. If that provision is carried in Parliament, then, of course, the necessary further steps for the constitution of All India Judicial Service will be taken.

SHRI M. RAM GOPAL REDDDY: Already the Minister has taken steps to transfer judges from one place to another. Then what is the difficulty in introducing the All India Judicial Service for judicial officers?

SHRI H. R. GOKHALE: I did not say that there was any difficulty.

Pesticide Formulating Units

*287. SHRI N. E. HORO: Will the Miniser of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether there is any proposal under consideration to locate new pesticide formulating units especially in potential areas of consumption and in backward areas; and

(b) if so, the main features thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI G. P. MAJHI): (a) and (b). As there is excessive installed capacity for pesticidal formulation, the present Government policy is not to allow additional formulation capacity unless supported by a time bound programme for manufacture of technical pesticides.

The question of relaxing this policy in favour of backward areas and State public undertakings will receive Government's attention at appropriate time.

SHRI N. E. HORO: It is a well-known fact that pesticides are not easily available and in adequate quantities in areas where there is a huge consumption of the same and also in backward areas. Is it not a fact that it is not due to excess capacity as the Minister has said, but because some of the firms which are producing pesticides have monopoly interests, they are not willing for the opening up of new units in these areas? Pesticides should be made available to the backward areas and also to the areas where there is a large consumption of the same. I would like to know whether, in view of this, Government will reconsider its policy and arrange to open new units in such areas for the benefit of the consumers, for the benefit of the agriculturists. Let Government not consider this only from the point of view of producers;

they should consider it from the point of view of benefits for the agriculturists.

THE MINISTER OF CHEMICALS AND FERTILISERS (SHRI P. C. SETHI): For the consumption of pesticides it is not possible to have formulations made out in each and every State because it depends upon most of the private parties and the locations are decided mostly by them. But it has been our policy to make pesticides available in each and every State to the extent necessary and in terms of their requirements.

SHRI N. E. HORO: I would like to know whether they will reconsider the question of encouraging a public sector undertaking towards manufacturing pesticides. Will they reconsider?

SHRI P. C. SETHI: Consideration and reconsideration is always our policy.. .. .. (*Interruptions*).

श्री भगत राम मनहर : : कीट नाशक दवाओं की सब से ज्यादा खपत उन क्षेत्रों में होती है जहां धान की पैदावार होती है। जो बैकवर्ड एरियाज हैं वहां इस उद्योग को स्थापित करने के लिए क्या प्राथमिकता दी जाए गी ? बस्तर मध्य प्रदेश, उड़ीसा और आंध्र प्रदेश के बीच मे पडता है। वहां इस इडस्ट्री के डाले जाने की तथा इसके द्वारा उत्पादित कीट-नाशक दवाइयों के खपत की बहुत ज्यादा सम्भावना है। मैं जानना चाहता हू कि क्या बस्तर में कीट-नाशक दवाइयां बनाने का कारखाना खोलने पर आप विचार करेंगे ?

श्री पी० सी० सेठी : अवश्य करेंगे बशर्ते कि माननीय सदस्य कोई पार्टी ले आएं।

DR. HENRY AUSTIN: I would like to know from the hon. Minister whether the Ministry is aware of the fact that pesticides have deleterious effects on birds. For instance, over three lakhs of ducks have died in my State and a large number of them in my constituency and the result of a study made on that shows that it was the pesticides that were responsible for the large-scale deaths of the bird.

So, formally when new pesticides are formulated or efforts made to start units for the formulation of pesticides, will the hon. Minister see or give necessry directions to officers to see that harmful effects, if any, of the pesticides are voided or are not there?

SHRI P. C. SETHI: There is already in force the Insecticides Act from 1969 and all insecticides are required to be approved under this Act by the Insecticides Board. Therefore, before any insecticide is used in the field, it has to get the clearance which is given after verifying as to its efficacy, toxicity and if it is in conformity with the specifications.

With regard to the instance he has cited where a large number of birds died, if the hon Member gives me full details, I will certainly hold inquiries.

रियायती टिकट का लाभ

†288. श्री एम० एस० पुरती : क्या रेल मंत्री यह बताने की कृपा करेंगे कि :

(क) रेलवे में रियायती टिकट का लाभ प्राप्त करने वाली सस्थाओं के नाम क्या हैं :

(ख) क्या हाल ही में पहाड़ी क्षेत्रों के लोगों को भी राज्यों की राजधानियों में जाने हेतु कुछ रियायत दी गई है : और

(ग) यदि हां, तो तत्सम्बन्धी मुख्य बातें क्या हैं ?

THE MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI MOHD SHAFI QURESHI): (a) to (c) A statement is laid on the table of the Sabha [*Placed in Library See* No LT-11313/76]

श्री एम० एम० पुरी प्रश्न के क भाग के सम्बन्ध मे मुझे यह पुस्तक अभी प्राप्त हुई है। मुझे इसका देखने का मौका नही मिला है। इसमे सस्थाओं के नाम दिये हुए हैं जिनको रियायती टिकट का लाभ मिल रहा है। मैं जानना चाहता हू कि क्या स्पोर्ट्समैन और पर्वतारोही दलो को रियायती टिकट का लाभ मिलता है ?

श्री मुहम्मद शफी कुरेशी स्पार्टसमैन और एथलीट्स को कसेशन दिया जाता है, पहले से दिया जा रहा है और अब भी इसको कटिन्यू किया जा रहा है।

SHRI DINESH CHANDRA GOSWAMI From the statement it appears that these concessions are only available to a group which should be normally 60 persons in the case of M G and 75 persons in the case of B G Am I correct in understanding from the statement that if the number of persons is less than 60 or 75 say 59 or 74, this concession will not be available?

My second question is that in the statement in the list of the stations on the termination of journey upon which a group is entitled to concession, the name of Gauhati is not there though it is both a capital and a place of extreme historical importance So I would like to know whether the Government has any proposal to remedy this defect and include the name of Gauhati so that people travelling from Jammu and Kashmir and such other places to Gauhati and even to Shillong may get the benefit of such concessions?

SHRI MOHD SHAFI QURESHI: The earlier pattern of hill concession was that the concession was given to non-hill stations so that the people could from plains to hill stations Now a scheme has been devised by the Railway Ministry whereby the hill people get the concession to visit the plains Accordingly this scheme was put into effect from 1st of July, 1976 and the system laid down is that they will have a concession of 33-1/3 per cent, of the ticket which is taken by the normal passengers The minimum number is 60 in the case of *M G* and 75 in the *case of* broad-gauge

But if there are lesser number of people and the State Government certifies that they could not get more number of people, that matter can be considered As far as Gauhati is concerned I can assure the hon Member that Gauhati will be included in the list

SHRI F GANGADEB In view of balancing the railway concession tickets for the students in relation to the air-fare concessions I would like to know from the Minister whether the present second-class railway concession to students will be considered for revision to make it a first-class concession ticket in comparison to air-fare concessions and facilities which show a big difference between the two

SHRI MOHD SHAFI QURESHI We are not going to compare the concession given by the Airways We are having our own system of concession which is working very well and the students have accepted it

Provision of one seat for one passenger

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*289. DR. K. L. RAO:
SHRI N. E. HORO:

Will the Minister of RAILWAYS be pleased to state:

(a) whether any study has been made about the number of coaches required for different routes to ensure one seat for every passenger in trains; and

(b) if so, the outcome thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI BUTA SINGH): (a) and (b). Sir, However, periodical census of occupation of all non-suburban passenger carrying trains is taken on the Railways twice a year to assess the extent of occupation in each train and on the basis of results of these census and having regard to the availability of requisite resources, steps are taken to introduce additional trains as also to extent the runs and augment the loads of existing trains to meet the requirements of traffic on different routes.

DR. K. L. RAO: In view of the overcrowding in the Indian Railway system, is it not desirable that there should be a regular survey of the percentage of overcrowding in different trains and at different times? I would like to know whether the hon. Minister is going to do this.

SHRI BUTA SINGH: I take the suggestion from the hon. Member. But, as I informed, twice a year there is regular survey done on the occupancy of the trains, rush of passengers, etc. It is almost a regular feature in the Indian Railways, and we have been able to know the extent of overcrowding on all the major routes of the Indian Railways.

DR. K. L. RAO: Is the hon. Minister thinking of introducing some short-term measures like establishing point to point service, design of seats of coaches and addition of more coaches? Overcrowding is a bad thing and notwithstanding the overcrowding a person always pays for his seat. So, will the hon. Minister think of some such steps to reduce overcrowding in Indian railways?

SHRI BUTA SINGH: We are taking several steps. The one suggested by the hon. Member is also a very important step that will decrease the rush on the trains, that is, point to point service. Already we have identified the problem We have introduced large number of trains to cover short distances to reduce the rush on major trains. We have also augment of the capacity of the trains by dieselising and by electrifying most of the major routes.

श्री नरसिंह नारायण पांडे : क्या मंत्री जी ने इस बात की जांच की है कि गाड़ियों में जो रश है उसका परसेंटेज क्या है, और कोचों की सप्लाई आप कहां तक कर पाये हैं ?

श्री बूटा सिंह : जैसा मैंने कहा हम इसका बराबर सर्वेक्षण करते रहते है। जैसा मैंने कहा 20 से लेकर 40 प्रतिशत तक बड़ी-बडी गाड़ियों में ओवरक्राउडिंग के कारण रश रहता है। और कोचेज के बारे मे जो माननीय सदस्य ने पूछा है हमारे पास इस वक्त जो उपलब्ध कोचेज हैं यात्रियों को कैरी करने के लिये वह 26,000 के करीब हैं और 2000 के करीब ऐसी कोचेज है जो बिजली इंजन से चलती है। हम ने प्लानिंग कमीशन से मांग की थी कि हमारी जो इस वक्त योजना चल रही है उसमे अपनी कोचेज को पूरा करने के लिये जो हम ने पैसा मांगा था उससे हम कम मिला है जिससे उतनी कोचेज हम नही बना पायेंगे जितनी कि हमें चाहिये ।

SHRI DINEN BHATTACHARYYA: Sir, the Minister said that the Rail-

way Board had taken up the matter very seriously and that they are providing coaches to see that the overcrowding of passengers is minimised to the maximum extent. My question is: in the suburban section, I specially mention the Howrah-Bandel-Sealdah Sections, in the local trains, the coaches have been cancelled on Sundays and other gazetted holidays. I want to know whether the Minister will take up the matter seriously without depending upon certain inspection by the local authorities who do not give their reports to the Minister?

SHRI BUTA SINGH: I take this from the hon Member. I hope that there is no shortage in providing more passenger coaches. We shall review this.

श्री कमला मिश्र 'मधुकर' : अध्यक्ष जी, मैं जानना चाहता हूं कि क्या यह बात सही है कि अभी बिहार मे खास कर पटना से मुकामा तक जाने वाली गाड़ियों मे और इसी प्रकार बरौनी तथा समस्तीपुर तक जाने वाली गाडियों मे काफी भीड रहती है और भीड़ के साथ-साथ मुझे यह भी मालूम हुआ है कि बड़े-बड़े बस ओपरेटर्स के साथ रेल अधिकारियों का मेल रहता है, गाड़ियों की टाइमिंग ऐसी करते हैं जिससे यात्री बसो से अधिक जायें और रेल से न जायें ताकि बस वालों को अधिक फायदा हो ?

श्री बूटा सिंह जैसा मैंने कहा ओवरक्राउडिंग को कम करने के लिये बहुत से प्रयास किये गये हैं जैसे डीजल और बिजली के इजन लगाये हैं और इसी तरह से स्पेशल ऐक्सप्रेस ट्रेन्स लगायी हैं।

MR. SPEAKER: Are you diverting your traffic to the private buses?

SHRI BUTA SINGH: No, Sir.

श्री डी० एन० तिवारी : मंत्री जी ने कहा कि साल मे दो बार सर्वेक्षण होता है और इनको मालूम होता है कि कहां-कहां बहुत ज्यादा भीड़ और ओवरक्राउडिंग होती है। मैं जानना चाहता हूं कि क्या इनके सर्वेक्षण मे कोई इलाका ऐसा है जहां सबसे अधिक भीड़ होती हो ? यदि हां, तो वह कौन सा इलाका है और उसको कम करने के लिये क्या स्टेप्स लिये गये हैं ?

श्री बूटा सिंह : इस समस्या के दो पहलू हैं। एक तो यह कि जो लम्बी फासले पर चलने वाली गाड़ियां हैं उनके पूरे रास्ते पर ओवरक्राउडिंग रहती है। दूसरे कुछ लोकल-लाइज्ड पैसेंजर्स हैं जिसकी वजह से एक खास जगह पर रश होता है। उस खास जगह के रश को हटाने के लिये, बड़ी गाड़ियों के ऊपर से रश कम करने के लिये, थोड़े-थोड़े फासले पर चलने वाली गाड़ियों की संख्या बढ़ायी गई है ?

अध्यक्ष महोदय : कौन-कौन से इलाके हैं यह उन्होंने पूछा है।

श्री बूटा सिंह . हम ने कुछ ऐसे इलाके आइडेन्टिफाई किये हैं जहा ऐसा है। जैसे खास कर माननीय सदस्य का मतलब बिहार से है जो बहुत ही हाइली पौपुलेटेड एरिया है।

Rail Link with Iran

*290. SHRI R. S. PANDEY: Will the Minister of RAILWAYS be pleased to state.

(a) whether there is any proposal to have rail link with Iran in the near future; and

(b) if so, the salient features thereof?

THE MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI MOHD. SHAFI QURESHI): (a) and (b). Proposals for the construction of new rail link between Kerman and Zahedan in Iran, are under considera-

tion of that Government. These proposals, if and when implemented, will provide rail-link with the Indian Railways through the Pakistani Railways.

SHRI R. S. PANDEY: Sir, today in the newspapers a news item has appeared that India has been awarded Rs. 200 crore contract from Iran. I would like to know whether it is true. If so, what are the details?

SHRI MOHD. SHAFI QURESHI: Sir, whatever the news, the news agency has indulged in wild guessing. It has no foundation.

SHRI M. S. SANJEEVI RAO: Sir, I am sure the hon. Minister is aware today a lot of time is taken for travelling to middle-east countries and Iran. With this background will the Minister think seriously of starting alternative route not only to Iran but to middle-east countries by giving priority to establish rail link as quickly as possible?

SHRI MOHD. SHAFI QURESHI: This can be done on bilateral basis between the two governments. As and when any Government desires to discuss the matter with the Indian railways, we are ready. We have already started discussing with Iran and Iraq governments and the discussions are going on.

SHRI BIBHUTI MISHRA: Sir, the Minister has used the words 'if and when'. May I know the definition or duration of 'if and when'?

श्री मुहम्मद शफी कुरेशी : माननीय सदस्य ने ठीक सवाल किया है। पाकिस्तान के साथ हम ने रेल लिंक कायम करना चाहा, लेकिन बारह बरस तक वह इस पर रजामंद नहीं हुआ। इस सूरत में हम क्या करते? हमारी तरफ से आफर थी लेकिन वह नहीं चाहता था। जब उसने भी चाहा, तो वह रेल लिंक कायम हो गया। यह बाइलेट्रल काम है। कुछ वे चलें, कुछ हम चलें; तभी काम चलेगा। एक तरफ के चलने से काम नहीं हो सकता है।

DR. RANEN SEN: Sir, when there are many parts of India without rail link on account of which trade and industry cannot develop, why is it found necessary by the Government of India to spend money for rail link with Iran and Iraq where we can go by ship?

SHRI MOHD. SHAFI QURESHI: Sir, it is part of our industrial and economic development that we have to establish links with other countries. Afterall we cannot trade within ourselves. We have to trade with other countries. There is also a proposal of the United Nations for an Asian Railway System.

Arrest of Cooking Gas Dealers

*292. SHRI R. K. SINHA: Will the Minister of PETROLEUM be pleased to state:

(a) whether some cooking gas dealers in Delhi and other parts of the country have recently been arrested for selling gas cylinders with less quantity of gas; and

(b) if so, the action proposed to be taken against such gas dealers?

THE MINISTER OF PETROLEUM (SHRI K. D. MALAVIYA): (a) and (b). Checking of 57 Liquefied Petroleum Gas dealers was done by the Civil Supplies Department of the Delhi Administration on the 2nd and 3rd August, 1976. Irregularities such as discrepancies in the daily stock register and non-display of prices and stocks were found in 12 cases against whom F.I.Rs. were lodged under the Defence of India Rules. In one case, one gas cylinder was found to be having 7 Kgs. less. According to the information available with the oil companies, no arrests of LPG dealers for the supply of underfilled cylinders have been made in other States.

SHRI R. K. SINHA: Sir, the press report says that there have been extensive shortage of weight in the gas cylinders supplied to the people. Shri O. P. Behl, Executive Councillor said in a press statement that the cylinders would be required to be sealed before being issued because in one case the weight was less by 6 kgs. This happened in 55 cases. What steps the Minister proposes to take to remove this mal-practice which has been found in a few cases? This mal-practice might be prevalent on a big scale as well.

SHRI K. D. MALAVIYA: Our attension was drawn by Mr Bahl as well as by reports received from some other parts of the country that there were cases here and there of underweight filling. These underfillings were brought to our notice, but they are not as large in numbers as has been made out. Government are trying to find out ways and means to stop it. One of the methods is to formulate a sealing method or device which cannot be opened by anybody unless the whole gas is exhausted. As soon as this system is formulated and finalised, I suppose this underfilling will be stopped

SHRI R. K. SINHA One of the ways to stop this, which the Minister may example, is to award exemplary punishment to such people who indulge in this practice. This is one of the ways of filling the gas cylinder. What is the Minister's reaction to this?

SHRI K. D. MALAVIYA: We have been trying to repress and suppress such abuses. Strict action has been taken. We are vigilant towards the whole matter. I agree that whenever such cases are found out, very drastic action should be taken, and it is taken.

श्री इसहाक मजलसी : नार्थ ऐवेन्यू में, जहां मैं रहता हूं आम तौर पर यह शिकायत मिलती है कि गैस आती है और बहुत जल्द खतम हो जाती है। एक्सपोस यह है कि बस सिलंडर पर इस बात का कोई इन्तजाम नहीं है कि [ ] यह पता चल सके कि जो सिलंडर आया उस में गैस पूरी है, कम है, या कितनी है। मिनिस्टर साहब ने एक बड़ी उम्मीद दिलाने वाली और हौसला बढ़ाने वाली बात कही है, जिस के लिए हम उन के शुक्रगुजार हैं। उन्होंने कहा है कि इस के लिए कुछ इन्तजाम सोचा जा रहा है और कम गस सप्लाई करने वालों को पनिशमेंट दी जायेगी। मैं इस बारे में दो सजेशन्ज देना चाहता हूं। क्या यह नहीं हो सकता है कि सरकार उन गैस सिलण्डर सप्लाई करने वालों को इस बात के लिए पाबन्द करे कि वे सिलण्डर पर मीटर लगायें? ईमानदार लोगों को मीटर लगाने में कोई बड़ी परेशानी नहीं हो सकती है। दूसरे, जब तक मीटर सिस्टम इन्ट्रोड्यूस हो; या सरकार कोई और सिस्टम अपनाये; क्या तब तक यह नहीं किया जा सकता है कि सरकार कुछ अपने तौर पर कम्पनियों से इस्यू होने वाले सिलण्डरों की वक्तन-फवक्तन जांच करे, और खास तौर पर बगैर इत्तिला के उन की जांच की जाये, ताकि बड़े पैमाने पर होने वाली इस चोरी को रोका जा सके?

श्री के० डी० मालवीय : इन चलते-फिरते सिलण्डरों में मीटर लगाना अभी पासिबल नहीं है। सिलण्डर तो कन्ज्यूमर को सप्लाई किया जाता है। उस में मीटर लगाने का कोई इन्तजाम नहीं हो सकता है। सिलण्डर को इस तरह से सील करने का इन्तजाम सोचा जा रहा है कि उस में गैस भरे जाने के बाद उस को कोई तोड़ न सके, और जब गैस खत्म हो जाये, तो मालूम हो जाये। हम उसकी कोशिश में हैं और हम ने इस प्राबलम को करीब-करीब साल्व कर लिया है। लेकिन यह सही है कि अक्सर औकात कन्ज्यूमर्ज को अण्डर-फिल्ड सिलण्डरों की सप्लाई होती है। हम बराबर इस की जांच पड़ताल करते हैं। जो लोग पकड़े जाते हैं,

उन को सजा मिलती है। लेकिन जब खराब लोगों को एक आदत पड़ जाती है, तो उस को सप्लेस करना मुश्किल हो जाता है। इस बारे में सख्त से सख्त सजा देने का खयाल किया जा रहा है। इस मौके पर मैं सदन को यह आश्वासन देना चाहता हूं कि गवर्नमेंट को यह पोजीशन अच्छी तरह मालूम है। इस सिलसिले में जो भी सख्त से सख्त तरीका होगा, वह अपनाया जायेगा।

श्री इसहाक सम्भली : मिनिस्टर साहब जा कर खुद चैक करें। कुरैशी साहब ने खुद चैकिंग कर के बिदाउट टिकट ट्रैवलिंग को बहुत कम कर दिया है।

DR. H. P. SHARMA: May I submit that the pilferage is on a much wider scale than the Minister has accepted? So till you evolve a seal design, will you make it mandatory that they should have scales to weigh the cylinder? That is one method by which you can prevent pilferage.

SHRI K. D. MALAVIYA: We have notified the specified weight of both the cylinder and gas.

DR. H. P. SHARMA: Where?

SHRI K. D. MALAVIYA: To every consumer. They know it. But the difficulty is that this evil practice has spread. We hope very soon we will be able to find out a seal and then this would stop.

SHRI RAJA KULKARNI: With less quantity in the cylinder, the question arises: who fills in the cylinder? According to my information dealers are not concerned with filling the cylinder and if there is less quantity, it shows lack of supervision in the refineries where the cylinders are filled. Will the hon. Minister explain whether the dealers are not connected with less quantity of gas in the cylinder and whether it is due to lack of proper supervision at the refinery that this is happening?

SHRI K. D. MALAVIYA: I totally deny this charge because whenever cylinders are filled, they are checked. What happens is that the distributor quickly exchanges it informally; it is given to somebody informally and then some gas is consumed. This evil practice is known to us and a good part of it has been suppressed. As soon as a new seal is discovered, this evil practice would top completely.

SHRI DINESH JOARDER: Apart from less quantity of gas being supplied, in cities like Calcutta, there is non availability of gas and customers do not get, after sending in a requisition, for ten or twelve days. Dealers are distributed in such a way that a large part of the area is to be covered by one single dealer and thus he is not able to supply gas to so many customers at a time. Apart from that, would the government adopt the policy of expanding the supply of gas to district headquarters and semi-urban and rural areas also because the cost of coal is going up and people are not able to get coal in the district headquarters?

SHRI K. D. MALAVIYA: First of all I must submit to the House that LP gas is in shortage; there is a shortage of production of this gas; it will be only proportionate to the quantity of crude oil that we could get and refine in our refineries. In West Bengal there was shortage of LPG. Over and above that there is shortage of cylinders also. Recently Haldia has started producing some more quantity of LPG and we hope the situation in Bengal would improve as a result of the greater supply of LPG. We are also trying to hasten the supply of cylinders from Bombay and elsewhere where it is manufactured but the total manufacturing capacity of cylinders is not quite adequate.

Expansion and Diversification of Drug Firms

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*293. DR. RANEN SEN:
SHRIMATI PARVATHI KRISHNAN:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) the scheme, if any, drawn for expansion and diversification of foreign and Indian drug manufacturing companies;

(b) what concrete steps have been taken to implement that scheme; and

(c) what is the response of foreign drug companies towards the scheme?

THE DEPUTY MINISTER IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI C. P. MAJHI): (a) to (c). Keeping in view the recommendations of the Committee on Drugs and Pharmaceuticals a new drug policy, to achieve a systematic and balanced growth of the drugs industry, is being evolved. In the meantime, two of the important recommendations of the Committee relating to the production programme—*viz.*, (i) identification of bulk drugs required for production of 117 essential formulations listed by the Committee, and (ii) assigning relevant lines of production for the public sector, Indian sector and open to all, including the foreign sector has been drawn up and made known to the industry. Government expects good response from all the sectors of the drugs industry after the total drug policy has been announced. From 1-4-1975, as many as 126 applications, including 22 applications from foreign companies with foreign equity exceeding 40 per cent, have been received.

DR. RANEN SEN: In view of the fact that the government does not appear to accept one of the main recommendations of that committee, namely, taking over of multi-national corporations in the drugs and pharmaceutical industry, may I know whether any pressure or persuasion is being exercised on the multinational corporations who up till now were only producing low tonnage high value medicines, neglecting the development of medicines for certain types of tropical diseases which are not found all over the world? May I know whether this is being done so that the multi-national corporations may go into diversification of production of such medicines which are required for leprosy, etc.?

THE MINISTER OF CHEMICALS AND FERTILISERS (SHRI P. C. SETHI): The hon. member was a member of the Hathi Committee. I congratulate him and the Hathi Committee for the good work they have done in analysing the problems. But while suggesting remedies, you have mixed up many things and created more confusion than was prevailing before. Therefore, please do not think that it was a court award. It was a committee appointed for our guidance. You have submitted the report and we are examining it. Please do not jump to any far-reaching conclusion. The report of the committee is yet to be taken up for consideration by the Cabinet sub-committee.

DR. RANEN SEN: I never asked whether the recommendations are being implemented or not. I wanted to know whether the foreign companies are being persuaded or pressurised to go into the research of drugs which are necessary for our tropical diseases like leprosy. That was my simple question

SHRI P. C. SETHI. The hon. member did make a remark that it is presumed that government is not going to accept the recommendations of nationalisation of multi-nationals. Hence I had to give that preamble to my answer. As far as leukoderma and leprosy are concerned, I would like the hon. member to visit the Hamdard Dawakhana where they have found a complete cure for these diseases. They have progressed very well and I had occasion to visit it a couple of days ago. So far

as foreign companies are concerned, we have already chalked out a programme of dilution. We have made three lists. One list is open for all, one list is meant for public sector only and one list is for the Indian sector.

DR. RANEN SEN: May I know, out of these 117 essential drugs that the government has decided to take up, how many are being prepared by foreign companies and how many by Indian companies?

SHRI P. C. SETHI: Before answering that, I would like to add that apart from unani and ayurveda, there is an anti-leprosy drug called DDS produced by Borroughs Wellcome. About this question, out of the 117 drugs, 43 are tablets and capsules. 39 are injections and 35 are miscellaneous. These are being produced by the foreign sector, the Indian sector and the public sector to a very great extent.

MR. SPEAKER: Question Hour is over—

DR. RANEN SEN: How many foreign sectors and how many Indian sectors?

WRITTEN ANSWERS TO QUESTIONS

Schemes for Foreign Tourists visiting India

*284. SHRI CHANDRA SHEKHAR SINGH: Will the Minister of RAILWAYS be pleased to state what schemes like the "Travel as you like" scheme introduced in September, 1975, will be introduced for the foreign tourists as well as Indian tourists?

THE MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI MOHD. SHAFI QURESHI): There is no proposal at present.

Agreements with Foreign Companies for Crude

*291. SHRI K. MALLANNA: Will the Minister of PETROLEUM be pleased to state:

(a) whether any agreements have been signed during the current year regarding crude oil with foreign companies; and

(b) if so, the broad outlines regarding the quantum and price of crude along with the names of the foreign companies?

THE MINISTER OF PETROLEUM (SHRI K. D. MALAVIYA): (a) and (b). The following arrangements have been made for the import of crude oil during 1976:

Name of the Country	Quantity in million tonnes
UAE	1
Saudi Arabia	1.1
Iraq	2.1

Indian Oil Corporation have entered into agreements with the National Oil Companies of these countries for such imports. Supplies from Iran during 1976 are expected to be at the level of 2 million tonnes as during 1975.

Requirements of import of crude oil during 1976 in the case of the Madras Refinery are covered in terms of their long term agreement for crude supplies from Iran. Supplies of Arabian crude to Hindustan Petroleum Corporation's Refinery are covered under the crude supply agreement with Exxon.

There is an accepted convention not to disclose the terms on which oil purchases are made from foreign countries

Decision of O.P.E.C. at Paris Meeting on Oil Prices

*294. SHRI RAJA KULKARNI: Will the Minister of PETROLEUM be pleased to state the reactions of Government to the decision of the Paris Meeting of the Oil Producing and Exporting Countries and of Oil consuming countries on the question of dual oil price system thereby giving concession in prices to developing countries in lieu of aid through loans and credits?

THE MINISTER OF PETROLEUM (SHRI K. D. MALAVIYA): Government are not awar of such a decision.

Redistribution Stockists of Hindustan Lever Limited

*295: SHRI S. M. BANERJEE: Will the Minister of LAW, JUSTICE AND COMPANY AFFAIRS be pleased to state:

(a) whether Government have received several complaints regarding the use of middle-men called Redistribution Stockists by Hindustan Lever Limited on an exclusive basis to inflate the prices of their products;

(b) whether the Company has openly declared not to supply its products directly to any dealers other than fixed middle-men;

(c) whether dealers are willing to lift stocks straight from the Company's godowns; and

(d) if so, what steps Government have taken to check this Company from indulging in such mal-practices?

THE MINISTER OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI H. R. GOKHALE): (a) Governmesnt have received some complaints against the arrangement of appointing "Redistribution Stockists" adopted by the company.

(b) and (c). Government has no information about the matters referred to.

(d) The practice of the company of appopinting "Redistribution Stockists" was the subject-matter of a restrictive trade practice inquiry instituted against it by the M.R.T.P. Commission which passed orders on 17-3-1976 restraining the company from continuing to indulge *inter alia* in the restrictive trade practice of territorial restriction. The company has, however, filed an appeal against the Commission's order and the matter is pending before the Supreme Court.

Appointment of New Indane Gas Dealers

*296. SHRI RAM PRAKASH: Will the Minister of PETROLEUM be pleased to state:

(a) whether Government propose to increase the number of Indane Gas distributors in the country;

(b) the number of distributors at present; and

(c) the number of war widows, Harijans and unemployed engineers who have been allotted dealerships agencies for Indane Gas under the new distribution system during the year 1975-76?

THE MINISTER OF PETROLEUM (SHRI K. D. MALAVIYA): (a) Yes, Sir. It is proposed to increase the number of Indane distributorships subject to availability of packed LPG in the country.

(b) As on 31-8-1976, there were 367 Indane distributors all over the country.

(c) Indane distributorships commissioned during 1975-76 were as under:—

Unemployed Graduates	Nil
Defence categories (Including war-widows)	40
Scheduled Castes/Tribes	8

Suggestions made by Conference of Labour Law Practitioners

*297. SHRI VASANT SATHE: Will the Minister of LAW, JUSTICE AND COMPANY AFFAIRS be pleased to state:

(a) whether the Conference of the Labour Law Practitioners held at Nagpur during May, 1976 made some suggestions to Government; and

(b) if so, the reaction of Government thereto?

THE MINISTER OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI H. R GOKHALE): (a) Yes, Sir. The Central Government has received from the Government of Maharashtra the copy of a resolution passed in the conference of Labour Lawyers of Vidarbha in April, 1976 (not May, 1976) at Nagpur. Resolution No. 6 passed at the conference referred to the bringing into force of section 30 of the Advocates Act, 1961 and amendment of section 36(4) of the Industrial Disputes Act, 1947 and other Acts.

(b) Government have not taken any decision in the matter.

रेल सुविधा की दृष्टि से पिछड़े हुये क्षेत्र

*298. श्री चिरंजीव शर्मा : क्या रेल मन्त्री यह बताने की कृपा करेंगे कि देश में रेल सुविधा की दृष्टि से पिछड़े हुए क्षेत्रों की जनवार सूची क्या है ?

रेल मंत्रालय में उपमंत्री (श्री कूडा सिंह) : इस सम्बन्ध में रेल मन्त्रालय का मार्गदर्शन मुख्यत. सम्बन्धित राज्य सरकारों के निर्णयों द्वारा होता है। रेल सुविधाओं की दृष्टि से पिछड़े समझे जाने वाले क्षेत्रों की ऐसी कोई सूची रेल मन्त्रालय द्वारा नहीं रखी जाती क्योंकि पिछड़े क्षेत्रों के विकास के प्रस्तावों पर राज्य सरकारों की सिफारिश प्राप्त हो जाने के बाद ही विचार किया जाता है। पिछड़े क्षेत्रों के विकास की परियोजनाओं को तभी हाथ में लिया जाता है जब यह पता चलता है कि उस क्षेत्र में रेलवे का पर्याप्त विस्तार नहीं हुआ है और रेलवे लाइन बनाने से उसका आर्थिक विकास होगा।

Expansion of Gujarat Fertilisers and Chemicals Ltd.

*299. SHRI D. D. DESAI: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Gujarat Fertilizers and Chemicals Limited have applied for expansion and diversification;

(b) whether this has been sanctioned; and

(c) if so, the salient features thereof?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI P. C. SETHI): (a) to (c): M/s. Gujarat State Fertilizers Company Limited have been permitted setting up the following additional fertilizer capacities:—

Ammonia: 445,500 tonnes per annum.
Urea : 528,000 tonnes per annum.
The plant, which is to be located at Broach District in Gujarat, will be

based on fuel oil as feedstock and is expected to cost about Rs. 225 crores.

Ways to Increase Earnings of Railways

*300. SHRI HARI SINGH: Will the Minister of RAILWAYS be pleased to state:

(a) whether at the Conference held on 30th June, 1976, Government have urged General Managers of all Zones of Railways to devise means to increase earnings of Railways; and

(b) if so, what steps have been suggested by the General Managers in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI MOHD. SHAFI QURESHI): (a) Yes Sir, the Conference was held on 30th July, 76 and not on 30th June, 1976.

(b) The general consensus was that more traffic should be attracted by improving the quality of service

Handling Work of Coal and Ash in the Railways

*301 SHRI RAMAVTAR SHASTRI Will the Minister of RAILWAYS be pleased to state.

(a) whether the handling work of coal and ash in the Railways is being done by the contract labour,

(b) if so, what is the rate of wages paid to such labour by the contractors at various centres of the Railways,

(c) whether the contractors are not paying them wages according to the Minimum Wages Act, and

(d) if so, what action Government propose to take in the matter?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI BUTA SINGH): (a) Yes, Sir. Thi work is also performed departmentally by the railways and by Labour Co-operative Societies of actual workers

(b) The contracts require the contractors to pay their employees at rates fixed by the Local Civil Authorities for similar work in the neighbourhood.

(c) and (d) The coal and ash handling work on the Railways is not covered by the Minimum Wages Act and hence the question of paying wages under this act does not arise.

Sanction for Fertilizer Plants

*302. SHRI SHANKERRAO SAVANT Will the Minisher of CHEMICALS AND FERTILIZERS be pleased to state:

(a) which fertilizer plants have been sanctioned so far,

(b) what is the location, capacity and estimate of each of them, and

( ) when will the construction work be started and when will it be completed?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI P. C SETHI): (a) to (c): A statement giving the requisite details in respect of the projects under implementation is laid on the Table of the House. [*Placed in Library See No. LT-11314/76*]

Distribution of canalised items by IDPL

2064 SHRI NANUBHAI N. PATEL: Will the Ministry of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether distribution of canalised items by IDPL is also governed by Import Trade Control policy which does not permit combining of indigenous production;

(b) whether IDPL not required to maintain separate profit accounts on imported drugs and indigenous drugs supplied by them; and

(c) in how many cases during the past three years IDPL's indigenous production fell short of targets and higher imports were resorts to and the facts thereof?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI P. C. SETHI): (a) and (b): Distribution of canalised items is governed by the Import Trade Control Policy in force from time to time. According to the current policy release orders for 11 items in the canalised list of drugs are issued to the actual users by the sponsoring authorities on IDPL. This public sector agency distributes not only their own production of these items but also imported material. Imports are arranged only when their indigenous production is not adequate. These are arranged by State Chemicals and Pharmaceuticals Corporation of India Ltd. and are handed over to IDPL for distribution to actual users against release orders issued by the sponsoring authorities.

Present availability is adequate for 5 drug items out of 11 items in the distribution range of IDPL. For the remaining six drug items indigenous availability is supplemented through imports to the extent of shortfall in the total demand. Pooled prices are in operation for these six items and are fixed on the basis of the weighted average of imported price and indigenous price both of which are fixed by the BICP. If any surplus or deficit arises because of changes in the quantum of import or quantum of indigenous production, such surpluses or deficits are adjusted in the following year. For the period 1974-75 and 1975-76, IDPL has reported a deficit of Rs. 29 lakhs on the total pool operation.

(c) Details of items of drugs where there was shortfall in production and higher imports were arranged are given in the statement laid on the Table of the House. [*Placed in Library. See* No. LT-11315/76].

Manufacture of formulations allowed to drug firms in Indian sector

2065. SHRI BHALJIBHAI PARMAR: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) how many drug companies in Indian sector have been allowed manufacture of formations based on Indigenous imported or canalised raw materials during last three years and basis on which such approvals were given;

(b) how many companies have not been allowed manufacture of formulations based on indigenous/imported/canalised raw materials during this period and basis for rejection of their proposals; and

(c) how will Government reconcile its policy so as to allow expansion and growth of Indian sector specially when foreign companies are producing large number of formulations without industrial approvals?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI P. C. SETHI): (a) and (b). During 3 years ending 31st March, 1976, 24 Indian companies have been granted Letters of Intent/Industrial licences for manufacture of drug formulations based on indigenous/imported/canalised raw material. These cases were finalised with the approval of Licensing Committee taking into consideration the essentiality of the formulations, foreign exchange requirement for raw materials and existing production facilities with the companies. During the same period, applications of 19 Indian companies for production of formulations were rejected by the Licensing Committee as they did not satisfy the conditions for grant of approvals.

(c) According to the latest procedure followed, the foreign companies are not given fresh formulation capacities without its linkage with bulk drug production In so far as Indian sector is concerned, a liberal policy is being followed and in case their ratio of production between bulk drug and formulation is 1:10 they are given approvals for production of formulations without their linkage to the bulk drug production

Construction of railway lines in Andhra Pradesh

2066 SHRI Y ESWARA REDDY Will the Minister of RAILWAYS be pleased to state:

(a) the names of railway lines under different stages of construction in Andhra Pradesh;

(b) the scheduled dates of their completion; and

(c) whether adequate funds have been provided for these projects during the current year?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI BUTA SINGH): (a) and (b) Bibinagar-Nalgonda portion (74 kms) forming part of the proposed Bibinagar-Nadikude line has been taken up for construction in the first phase. The project is expected to be completed by April 1980 subject to timely availability of adequate funds

(c) Funds are allotted for different projects depending upon the over-all national priorities

Cost analysis for electric, diesel and steam traction

2067. PROF. NARAIN CHAND PARASHAR Will the Minister of RAILWAYS be pleased to state:

(a) the names of the routes alongwith kilometerage on the B.G., M.G., and N.G. which have been electrified so far, or are in the process of electrification;

(b) the likely date by which the electrification on the latter routes would be completed; and

(c) the comparative cost analysis for electric, diesel and steam traction for the 3 gauges per hundred kilometres for goods and passenger traffic separately?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI BUTA SINGH) (a) to (c). A statement is laid on the Table of the House. [*Placed in Library See* No. LT-11316/76]

Funds for improvement of Naupada-Gunupur Narrow Gauge line during Fifth Plan

2068 SHRI GIRIDHAR GOMANGO. Will the Minister of RAILWAYS be pleased to state

(a) the funds provided for the improvements of the Naupada-Gunupur N G line of South Eastern Railway by the Ministry in the Fifth Five Year Plan;

(b) the amount already spent and the provisions made for the year 1976-77 to complete the work, and

(c) the progress made so far and the proposals for the improvements of the line and the Railway stations?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI BUTA SINGH): (a) Rs. 18 09 lakhs.

(b) Rs 4 22 lakhs have been spent upto March, 1976 Provision of Rs. 12 lakhs has been made in 1976-77 and the balance will be provided during the current plan period.

(c) Through Rail Renewal for a length of 33.8 kms. has been completed and Through Sleeper Renewal for

56 kms. (in patches) is in progress which is expected to be completed during the year 1977-78. Also, provision for stone ballasting has been made and the work is in progress. The facilities already available at the stations on this line are considered adequate for the present traffic.

रेलगाड़ियों और रेल स्टेशनों पर टेलीविजनों का लगाया जाना

2069. **श्री भागीरथ भंवर** : क्या रेल मन्त्री यह बताने की कृपा करेंगे कि :

(क) क्या कुछ प्रमुख गाडियों में यात्रियों को टेलीविजन दिखाने की व्यवस्था की गई है और यदि हां, तो वे गाडियां कौन-सी हैं ;

(ख) भविष्य में कौन सी अन्य यात्री गाड़ियों में टेलीविजन दिखाने का प्रावधान किया गया है, और यह कार्य कब तक पूरा हो जाने की सम्भावना है, और

(ग) क्या टेलीविजन केन्द्रों के क्षेत्र में आने वाले बडे रेलवे स्टेशनों पर भी टेलीविजन सेट लगाने का कोई प्रस्ताव है ?

रेल मंत्रालय में उप मंत्री (श्री बूटा सिंह) (क) और (ख). मद्रास और नयी दिल्ली के बीच चलने वाली तमिल नाडु एक्सप्रैस में परीक्षण के तौर पर क्लोज्ड सर्किट टेलीविजन लगाया गया है। इस परीक्षण के परिणामों के आधार पर इसे स्थायी रूप से लगाने और अन्य यात्री गाडियों में इसकी व्यवस्था करने के बारे में विनिश्चय किया जायेगा।

(ग) मुख्यत: गाडियों के आने-जाने और यात्रियों को सामाजिक शिक्षा देने के सम्बन्ध में श्रव्य-दृश्य सूचना देने के लिए कुछ स्टेशनों पर क्लोज्ड सर्किट टेलीविजन लगाये गये हैं।

भारतीय तेल निगम द्वारा मध्य प्रदेश में नये वितरक नियुक्त किये जाना

2070. **श्री गंगाचरण दीक्षित** : क्या पैट्रोलियम मन्त्री यह बताने की कृपा करेंगे कि :

(क) क्या भारतीय तेल निगम ने अक्तूबर, 1976 के पश्चात देश में कोई नये वितरक नियुक्त किये हैं ;

(ख) यदि हां, तो मध्य प्रदेश में कितने वितरक कार्य कर रहे हैं ;

(ग) तेल की बिक्री में उनका कितने प्रतिशत हिस्सा है : और

(घ) वहां अन्य कौन सी कम्पनियां तेल का कार्य कर रही हैं ?

पैट्रोलियम मंत्रालय में उपमंत्री (श्री जियाउर्रहमान अन्सारी) : (क) जी, हां।

(ख) 31-7-76 को 403।

(ग) मध्य प्रदेश में पैट्रोल, एच० एस० डी०, लाइट डीजल तेल और मिट्टी के तेल की बिक्री में आई०ओ०सी० का शेयर क्रमश: 38, 66, 68 और 69 प्रतिशत है।

(घ) हिन्दुस्तान पैट्रोलियम कारपोरेशन भारत शोधनशाला लि०, कालटैक्स (इण्डिया) लि० और इण्डो-बर्मा पैट्रोलियम कम्पनी लि० भी अपने उत्पादों का मध्य प्रदेश में विपणन कर रहे हैं।

Exclusion of new Railway Lines in Konkan, Marathwada and Vidarbha regions of Maharashtra from Fifth Plan

2071. PROF. MADHU DANDAVATE: Will the Minister of RAILWAYS be pleased to state:

(a) whether it is true that the proposed new railway lines in Konkan, Marathwada and Vidarbha regions of

Maharashtra are likely to be excluded from the Fifth Five Year Plan; and

(b) if so, will it not further contribute to the regional imbalance?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI BUTA SINGH): (a) and (b). Work is in progress for the construction of following new rail links in these regions;

	Length in Kms.	Cost Rs. in crores
(i) Wani-Chanaka (new BG rail link)	76·0	5·29
(ii) Diva-Bassein (new BG rail link)	42·0	12·75

It may not be possible to take up construction of more new rail links during the 5th Five Year Plan, within the existing resources.

Cadre of Second Class Magistrates in Tamilnadu

2072. SHRI S. A. MURUGANANTHAM: Will the Minister of LAW, JUSTICE AND COMPANY AFFAIRS be pleased to state:

(a) whether the former Government of Tamil Nadu accepted the proposal of the Tamil Nadu High Court to upgrade the cadre of Second Class Magistrates as First Class Magistrates and intergrade the cadre with District Munsiff; and

(b) if so, when will the above proposal be implemented?

THE MINISTER OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI H. R. GOKHALE): (a) Yes, Sir

(b) The Tamil Nadu Government are awaiting the recommendation of the Madras High Court on the principles on which the integration of the two posts has to be implemented.

Detention of Railway Passengers at Darbhanga

2073 SHRI BHOGENDRA JHA: Will the Minister of RAILWAYS be pleased to state·

(a) whether on the 21st June, 1976 about one hundred passengers were detained in front of the Railway police office at Darbhanga junction under Samastipur District of North Eastern Railway;

(b) if so, the facts thereof;

(c) whether each of the above passengers was charged thirteen to fifteen rupees without issuing any receipt therefor and whether representations have also been submitted in this regard to the Railway Police Superintendent, Muzaffarpur; and

(d) if so, action taken thereon?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI BUTA SINGH): (a) No

(b) to (d). Do not arise.

Strictures passed against RPF by Magistrate at Miraj

2074 SHRI ANNASAHEB GOTKHINDE: Will the Minister of RAILWAYS be pleased to state:

(a) whether in a recent judgment given by the magistrate in a case relating to Railway property at Miraj, South Central Railway the court has passed strictures to the effect that the Railway Protection Force and the concerned accused together have looted the Railway property;

(b) if so, the facts thereof; and

(e) the action that is being taken against the delinquent staff?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI BUTA SINGH): (a) to (c). On 7th May, 1974, one R.P.F. Rakshak apprehended 7 women carrying railway material stolen from railway yard at Miraj while he was on special duty of crime prevention. While he was taking the criminals to Railway Protection Force Office, he was obstructed by a receiver of stolen railway property and the arrested accused persons were rescued.

A case under Section 353/225 and 224/44 IPC was registered with the Police and investigated simultaniously along with the case under Railway Property (Unlawful Possession) Act, 1966 Both cases were prosecuted before the Judicial Magistrate at Miraj The Court disbelived the prosecution story and passed certain strictures against some members of the force and the accused parsons were acquitted.

Departmental action is in progress against all the members of the Force against whom the strictures have beer passed by the Trial Court.

कनानूर तथा इरोद स्टेशनों से हथकरघे का कपड़ा बुक किया जाना

2075. श्री नाबू राम अहिरवार : क्या रेल मन्त्री यह बताने की कृपा करेंगे कि :

(क) वर्ष 1974-75 में दक्षिण रेलवे के कनानूर तथा इरोद स्टेशनों से भेजी गई हथकरघे के कपड़े की गांठें नई दिल्ली रेलवे स्टेशन पर भली भांति पहुंच गई पर बाद में उन्हें गुम घोषित कर दिया गया जिसके कारण रेलवे को इसके लिए भारी रकम हरजाने के रूप में देनी पड़ी ;

(ख) क्या इस सम्बंध में कुछ पासल क्लर्कों को मुअत्तिल कर दियागया था ;

(ग) क्या इस मामले में जांच अभी पूरी नहीं हुई है परन्तु उन पार्सल क्लर्कों को काम पर पुन: लगा दिया गया है ; और

(घ) यदि हां, तो यह जांच कब तक पूरी हो जायेगी ?

रेल मन्त्रालय में उपमंत्री (श्री बूटा सिंह) : (क) 1974-75 वर्ष के दौरान कनानूर तथा इरोद स्टेशनों से नई दिल्ली स्टेशन को बुक किये गये हाथ करघा वस्त्र की कुछ गांठों की नई दिल्ली में खो जाने की सूचना मिली थी। अभी तक क्षतिपूर्ति के 8 मामलों में मुआवजे के रूप में 29,332 रु० का भुगतान किया जा चुका है।

(ख) से (घ) : पार्सल कार्यालय, नई दिल्ली के कार्य का उचित निरीक्षण न करने के लिए नई दिल्ली स्टेशन के मुख्य पार्सल क्लर्क को निलंबित किया गया था। लेकिन बाद में उनका निलम्बन इस विचार से रद्द कर दिया गया कि उचित जांच करने के पश्चात् ही कर्मचारी को उत्तरदायी ठहराया जाय। खो गई गांठों के लिए उत्तरदायी ठहराने तथा वास्तविक दोषी के विरुद्ध विभागीय कार्यवाही करने के लिए विस्तार से जांच की जा रही हैं। उत्तर रेल से कहा गया है कि जांच को शीघ्र पूरी करें।

Amendment to Mercantile Laws

2076. SHRI B. V. NAIK: Will the Minister of LAW, JUSTICE AND COMPANY AFFAIRS be pleased to state:

(a) whether Government are contemplating any amendment to the present set of mercantile laws which stand in the way of higher production, optimum use of national resources and distributive justice incorporated in the national economic programme enunciated by the Prime Minister;

(b) if so, what are the statutes slated for amendment; and

(c) the approximate time by which this work will be over?

THE MINISTER OF STATE IN THE MINISTRY OF LAW, JUSTICE AND COMPANY AFFAIRS (DR. V. A. SEYID MUHAMMAD): (a) There is no such proposal in this Ministry now.

(b) and (c). Do not arise.

Golcha Properties Limited

2077. SHRI R. N. BARMAN: Will the Minister of LAW, JUSTICE AND COMPANY AFFAIRS be pleased to state:

(a) whether the owners of the Golcha Properties (P) Limited under liquidation have failed to comply with the orders of the court to deposit the amount which was the essential part of the scheme that was agreed upon to liquidate the liabilities of the owners towards their creditors;

(b) if so, whether the scheme has failed *suo moto*

(c) whether in the new situation Government propose to pay the remaining two instalments to small creditors; and

(d) if so, by what time will this be implemented?

THE DEPUTY MINISTER IN THE MINISTRY OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI BEDABRATA BARUA): (a) Rajasthan High Court while sanctioning the scheme for future management of the company ordered that after the money as contemplated in the scheme has been paid authority of the Official Liquidator shall cease to function and the management of the business except the management of the business of Golcha Cinema, Delhi and its building, shall be handed over to the former Directors, as soon as they deposit the money with the Official Liquidator and that the security which had already been given by the Official Liquidator in the Supreme Court case shall be continued to remain in force for the performance of any final order or direction which may be passed by the Supreme Court, and that the management of the business of Golcha Cinema, Delhi and possession of the said cinema House shall be retained by the Official Liquidator till the aforesaid security is not released or the appeal is decided by the Supreme Court,

(b) The directors of the company being aggrieved of this condition have filed an appeal which is pending before a Division Bench of the Rajasthan High Court.

(c) and (d). The question of Government paying dividend does not arise, as the payment has to be made by the Official Liquidator out of the assets of the company under orders of the court

Manufacture of bulk drugs by small scale sector

2078. SHRI ARJUN SETHI: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) the particulars of the bulk drugs being manufactured in the country by small-scale sector; and

(b) particulars of the amount of foreign exchange saved annually as a result thereof?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI P. C. SETHI): (a) and (b) There are over 2500 small-scale units manufacturing drugs and pharmaceuticals, including bulk drugs. The bulk drugs being produced by these units are indicated in Annexure II to Chapter II of the Report of the Committee on Drugs and

Pharmaceuticals. Para 18 of Chapter II of this Report indicates that, although authenticated data are not available, the production of small-scale units is estimated to be about 20 per cent of the over-all turn-over of the drugs industry.

It is difficult to quantify the amount of foreign exchange saved annually through the efforts of the small Scale Section. However, some of the bulk drugs produced by them could be categorised as drugs of import substitution.

Theft of belongings of M.Ps. and VIPs

2079. SHRI K. M. 'MADHUKAR': Will the Minister of RAILWAYS be pleased to state:

(a) whether he and other railway authorities have received complaints from M.Ps. and other VIPs about theft of their belongings while travelling in the first class compartments of trains from Bihar and U.P. to Delhi in the month of August 1976;

(b) whether coach attendants were not provided when the above incidents occurred;

(c) persons arrested in this connection so far; and

(d) what steps Government propose to take to check such occurrences in future?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI BUTA SINGH): (a) Only one such case of theft of an attache-case belonging to Shri Chander Shekhar Singh, M. P. while travelling in a First Class compartment of the Dhanbad coach of 85 Up Assam Mail from Gaya to Delhi on 3/4-8-76 was reported at Fatehpur, Government Railway Police Station in Uttar Pradesh.

(b) No coach attendant was provided in Dhanbad coach in which theft took place.

(c) Two accused persons have been arrested during investigation.

(d) Special armed escorts and even plain clothes escorts are being deputed in effected Sections and security measure at Railway Stations by State Government Railway Police have been tightened up. Frequent supervision by higher officers of the Railway Police is being enforced.

उत्तर बिहार से बम्बई के लिए एक एक्सप्रेस रेलगाड़ी चलाने का प्रस्ताव

2080. **श्री ज्ञानेश्वर प्रसाद यादव :** क्या रेल मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या उत्तर बिहार से बम्बई के लिये एक एक्सप्रेस रेलगाड़ी चलाने का प्रस्ताव है ; और

(ख) यदि हां, तो उक्त रेलगाड़ी किस तारीख से चलाने का प्रस्ताव है ?

रेल मंत्रालय में उपमंत्री (श्री बूटा सिंह): (क) उत्तर बिहार से बम्बई तक एक नई एक्सप्रेस गाड़ी चलाने का कोई प्रस्ताव नहीं है।

(ख) प्रश्न नहीं उठता।

Increase in Oil Refining Capacity

2081. SHRI YAMUNA PRASAD MANDAL: Will the Minister of PETROLEUM be pleased to state:

(a) whether refining capacity of oil in the country has considerably increased with the commissioning of

Haldia Refinery, and

(b) if so, the total refining capacity at present?

THE DEPUTY MINISTER IN THE MINISTRY OF PETROLEUM (SHRI ZIAUR RAHMAN ANSARI): (a) and (b) With the commissioning of the Haldia Refinery having a capacity of 2.5 MTPA, the refining capacity in the country has reached the level of 27 million tonnes per annum.

Foreign Contractors for Searching Onshore Oil

2082. SARDAR SWARAN SINGH SOKHI: Will the Minister of PETROLEUM be pleased to state·

(a) whether foreign contractors are being awarded contracts for searching onshore oil;

(b) whether necessary equipment and technical hands are not available in the country;

(c) the number of contracts entered into with foreign contractors and the foreign exchange involved; and

(d) whether Government have invited tenders for these contracts from the Indian contractors?

THE DEPUTY MINISTER IN THE MINISTRY OF PETROLEUM (SHRI ZIAUR RAHMAN ANSARI): (a) No, Sir.

(b) to (d). Do not arise.

Performance of Erstwhile Burmah Shell Company

2083. SHRI H. N. MUKHERJEE: Will the Minister of PETROLEUM be pleased to state·

(a) whether there is an improvement in the performance of the erstwhile Burmah Shell Company after it has been taken over by Government;

(b) whether there has been an increase in its production rate; and

(c) if so, the facts thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF PETROLEUM (SHRI ZIAUR RAHMAN ANSARI): (a) to (c). The Company was taken over by the Government of India on 24th January, 1976. The current allocation of crude to the Refinery is at the annual rate of 3 75 million tonnes as compared with the total of 3.53 million tonnes processed in 1975. The production of petroleum products is correspondingly higher this year.

However, the level of crude intake and the pattern of production at each refinery are determined by Government in the light of the country's demand and the regional requirements.

Unmanned Railway Level Crossings in Punjab

2084 SHRI RAGHUNANDAN LAL BHATIA· Will the Minister of RAILWAYS be pleased to state:

(a) the total number of unmanned Railway level crossings in Punjab,

(b) the total number of accidents occurred at the unmanned railway crossings in Punjab during the last one year; and

(c) whether any steps are being contemplated to reduce the number of unmanned railway crossings in the State?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI BUTA SINGH): (a) There are 1,168 unmanned level crossings (including cattle crossings) in the State of Punjab.

(b) Five train accidents took place at these unmanned level crossings during 1975-76.

(c) To reduce the number of unmanned level crossings, the Railways carry out periodical census of road and rail traffic to review the need for their manning. Based on this, certain unmanned level crossings are earmarked for manning in consultation with the State Government taking into account various factors such as density of traffic, visibility, accident proneness, etc. as also the availability of funds. During the period from 1st April, 1973 to 31st March, 1976, 39 unmanned level crossings in Punjab State have been manned.

Production of Concrete Sleepers

2085. SHRI ARVIND M. PATEL:
SHRI VEKARIA.

(a) Will the Minister of RAILWAY be pleased to state whether concrete sleepers have been found to be more durable and economical in comparison to the wooden sleepers;

(b) if so, the difference in the manufacturing cost of concrete sleepers and wooden sleepers;

(c) to what extent the demand of concrete sleepers is being met; and

(d) the steps taken by Government to increase the production?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI BUTA SINGH): (a) Yes. Concrete sleepers are more durable and economical than wooden sleepers in the long run.

(b) The present day cost of concrete sleepers is about Rs. 250/- each. Its anticipated life is 50 years. It has got an additional advantage that it can be used with long welded rails, which, by itself, prolongs the life of rails and also minimises wear and tear of rolling stock. A wooden sleeper without fastenings costs Rs. 75/. If it has to be used in ordinary track, the cost with fittings will be about Rs. 100. If this sleeper has to be used with long welded rails and elastic fittings, the cost will be nearly Rs. 175/. The normal life of wooden sleepers is only 12 to 15 years.

(c) At present, we are able to procure about two lakhs concrete sleepers in a year. We shall like to get more. Our normal demand for track renewals of concrete sleepers is about eight lakh numbers.

(d) Six factories are already enaged in the production of concrete sleepers, and these would be increasing their production capacities. More firms are being inducted. The Ministry of Railways are setting up a factory at Allahabad for the purpose.

Foreign Collaboration for Oil Exploration in Bombay High

2086. SHRI INDRAJIT GUPTA:
SHRI RAGHUNANDAN LAL BHATIA:

Will the Minister of Petroleum be pleased to state:

(a) the nature of the proposal, as reported, to obtain French collaboration for exploration and drilling of oil in Bombay High; and

(b) whether any long-term, definitive plan has been worked out in respect of the total foreign collaboration which will be required in this year?

THE DEPUTY MINISTER IN THE MINISTRY OF PETROLEUM (SHRI ZIAUR RAHMAN ANSARI): (a) and (b). A proposal in this regard has been received from CFP of France. It is not in the public interest to disclose any details in the matter at this stage.

Court Cases against Railway Employees at Mughal Sarai

2087. SHRIMATI ROZA DESHPANDE:
SHRIMATI PARVATHI KRISHNAN.

Will the Minister of Railways be pleased to state:

(a) the number of employees, temporary and permanent against whom court cases for participating in the May, 1974 strike are still pending at Mughal Sarai; and

(b) whether there are charges of sabotage or violence against any one of them?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI BUTA SINGH): (a) and (b). For mere participation in May 1974 strike, no court case has been instituted against any one. There is one ex. employee named Shri S. A. Haque against whom there are charges of sabotage and violence and a court case is pending at Mughalsarai.

Basis for allowing capacities in C.O.B. Licences

2088. SHRI SOMCHAND SOLANKI: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) what are the basis for allowing consolidated capacities and individual capacities in COB licences for the manufacture of drugs and pharmaceuticals granted by Government;

(b) in how many cases earlier approvals granted were converted into COB licences on account of change of policy; and

(c) on what grounds capacities installed and recognised by State Drug Controllers through permissions of Government, were not allowed in COB licences although according to policy this was one of the criteria?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI P. C. SETHI) (a) and (c): The criteria adopted for fixing the capacities while granting COB licences has been indicated in reply to Lok Sabha Unstarred Question No. 2680 answered on 27-4-76.

(b): 27 COB licences have been issued to the drug manufacturing units so far.

Ways and means to win General Freight Traffic

2089. SHRI N. K. SANGHI: Will the Minister of Railways be pleased to state:

(a) whether the General Managers of the Zonal Railways met recently in New Delhi to consider ways and means to win general freight traffic besides the committed rail cargo of steel, coal and foodgrains; and

(b) if so, the strategy evolved at this meeting and the target set for 1976 and 1977?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAY, (SHRI BUTA SINGH): (a) Yes.

(b) Railways have been asked to lay greater emphasis on customer satisfaction in order to achieve the target for "General Goods" traffic for 76-77 and also improve upon it, if possible. The target for "General Goods" revenue earning traffic for 76-77 is 48 million tonnes.

राजस्थान में कुकिंग गैस एजेंसियों का आवंटन

2090. श्री लालजी भाई : क्या पैट्रोलियम मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या भारतीय तेल निगम की सरकार द्वारा अनुमोदित नीति के अनुसार राजस्थान में कुकिंग गैस की 75 प्रतिशत

एजेंसियां विधवाओं सैनिकों, युद्ध में मारे गये सैनिकों की विधवाओं, युद्ध मे मारे गये अथवा लापता हुये सैनिकों की आश्रितों और भूतपूर्व सैनिकों को दिये जाने का निर्णय किया गया है ?

(ख) यदि हा, तो क्या राजस्थान मे ऐसी कुछ प्रतिशत एजेंसिया अनुसूचित जातियों तथा अनुसूचित जनाजितयों के लिये भी आरक्षित की गई हैं ; और

(ग) यदि हा, तो तत्सम्बन्धी तथ्य क्या हैं और इन जातियों के लिये विशिष्ट रुप से कितना आरक्षण किया गया है ?

पैट्रोलियम मत्रालय में उपमत्री (श्री जियाउर्रहमान अन्सारी) : (क) जी, नही ।

(ख) और (ग). इस समय समस्त इन्डेन गैस एजेंसियो की 25 प्रतिशत एजेंसिया पूरे देश मे अनुसूचित जाति । जनजाति के प्रत्याशियो के लिये आरक्षित किये गये हैं तथा पि एल० पी० जी० की कमी के कारण। गत 2 वर्षों के दौरान राजस्थान मे केवल दो नई एजेंसिया खोली गई थी । उस समय लागू नीति के अनुसार वे दोनो एजेंसिया सैनिक प्रत्याशियो को दी गई थी । निकट भविष्य मे राजस्थान मे नई एजेंसी खोलने की कोई सम्भावना नही है ।

Drinking Water facilities in Trains

2091 SHRI P. GANGADEB Will the Minister of RAILWAYS be pleased to state

(a) whether drinking water facilities are not available on most of the railway trains,

(b) whether his Ministry is taking any steps to provide drinking water facilities in trains especially in summer; and

(c) if so, salient features thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI BUTA SINGH) (a) While drinking water facilities have been provided only on selected trains as an experimental measure adequate arrangements exist for supply of drinking water to passengers at all stations.

(b) We are considering extending the facilities on a few more selected trains only

(c) The facilities consist of providing a drinking water container in 1st Class corrider coaches and IInd Class sleeper coaches

Production and Demand of Lubricants

2092 SHRI DHAMANKAR Will the Minister of PETROLEUM be pleased to state

(a) what is the total capacity and availability of Lubricants in the country

(b) out of the total production what is the production of high-grade lubricants and how far its demand within the country is being met,

(c) what progress has been made in the implementation of the fuel refinery expansion project of the Hindustan Petroleum Corporation and when is it likely to be completed, and

(d) whether there are any plans for the export of lubricants?

THE DEPUTY MINISTER IN THE MINISTRY OF PETROLEUM (SHRI ZIAUR RAHMAN ANSARI) (a) The installed production capacity for lube base oils in the country is approximately 667,000 tonnes and the availability of lube base oils is estimated at about 421,000 tonnes during 1976-77

(b) The estimated production of high grade lube base oils is 249,000 tonnes and the demand is being met by the import of another 64,000 tonnes of lube oils and lube specialities.

(c) A proposal to expand the capacity of Fuel Refinery has been received from Hindustan Petroleum Corporation, and is under examination.

(d) Yes, Sir.

Increase in Percentage for recruitment of Wards of Loyal Employees

2093. SHRI R P. YADAV: Will the Minister of RAILWAYS be pleased to state:

(a) whether the percentage fixed by Government for employment of loyal employee's wards is not sufficient to recruit eligible wards of loyal employees;

(b) whether Government are thinking to increase the percentage to accommodate the wards of loyal employees; and

(c) in view of the services of the loyal employees, whether preference for employment of their wards will be a permanent feature of recruitment?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI BUTA SINGH). (a) Yes

(b) and (c). No

Construction of New Maynaguri Sitai Railway Line (Northeast Frontier Railway)

2094. SHRI B. K. DASCHOWDHURY: Will the Minister of RAILWAYS be pleased to state:

(a) whether the survey undertaken by the N.F. Railway for construction of a new broad-gauge Railway line in N.F. Railway from New Maynaguri to Sitai has been completed;

(b) if so, the salient features thereof; and

(c) when his Ministry will process the scheme for sanctioning of money and for actual construction of the aforesaid line?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI BUTA SINGH): (a) No.

(b) Does not arise.

(c) The proposal will be considered further after the survey reports are received and examined and also subject to the availability of funds.

Diesel Engines for Meerut Shuttles

2095. SHRI RAM BHAGAT PASWAN: Will the Minister of RAILWAYS be pleased to state:

(a) whether a number of diesel engines have been spared as a result of electrification of various railway tracks; and

(b) if so, whether Government propose to provide diesel engines to 2 NM and 1 NM Meerut shuttles?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI BUTA SINGH): (a) Yes. As a result of electrification of Tundla-Ghaziabad-New Delhi section, a few diesel locomotives have recently been released on the Northern Railway.

(b) No

Dutch Government Credit to O. & N G.C.

2096. SHRI P. GANGA REDDY: Will the Minister of PETROLEUM be pleased to state:

(a) whether Dutch Government has given a credit of two crores of rupees to the Oil and Natural Gas Commission recently; and

(b) if so, the terms and conditions of the credit and the purpose for which it will be utilised.

THE DEPUTY MINISTER IN THE MINISTRY OF PETROLEUM (SHRI ZIAUR RAHMAN ANSARI): (a) and (b). The Dutch Government have given loans to the Government of India. A part of these loans is being utilised for financing the purchase by ONGC of a pipe-lay-cum derrick barge from a Dutch firm valued at Rs. 21.74 crores approximately. The Dutch loan is repayable, with an interest of 2½ per cent per annum, over a period of 30 years (inclusive of a grace period of 8 years).

Import of Rigs to step up Oil Exploration

2097 SHRI JAGANNATH MISHRA: Will the Minister of PETROLEUM be be pleased to state:

(a) whether Government have decided to import eight rigs to step up oil exploration; and

(b) if so, the countries from which they are being imported and the total expenditure involved?

THE DEPUTY MINISTER IN THE MINISTRY OF PETROLEUM (SHRI ZIAUR RAHMAN ANSARI): (a) and (b) In addition to two American rigs with an estimated c i f. cost of Rs. 6 98 crores (without accessories), which are in transit, orders have recently been placed for 2 Romanian rigs (with spares and accessories) at an estimated cost of Rs 10 crores. However, in order to encourage indigenous capability, a letter of intent has been sent to BHEL for supply of seven rigs.

Railway Line upto Saleroom in South Tripura *via* Agartala

2098. SHRI M. RAM GOPAL REDDY: Will the Minister of RAILWAYS be pleased to state:

(a) whether Government have been urged to lay a railway line upto Saleroom in South Tripura *via* Agartala; and

(b) if so, the decision of Government thereon?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI BUTA SINGH). (a) Yes.

(b) In view of inadequate availability of funds and lack of traffic justification the proposed rail link cannot be taken up at present

Use by Public Sector Units of products by Roberts McLean Company Ltd.

2099 SHRI SUBODH HANSDA: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether public sector fertilizer units are using any product marketed by Roberts McLean Company Limited; and

(b) if so, the total amount of purchase by them during the year ending 31st July, 1976?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI P C. SETHI): (a) and (b). M/s Roberts McLean Company Limited are suppliers of cleaning agents for heat exchanger tubes and packings in towers and also of fire extinguisher refils and fire buckets For the year ending 31st July, 1976 relatively small purchases have been made from this firm of the following value:—

F.C I —Rs. 1.00 lakh

F.A C.T.—Rs. 4,151/-

Rourkela

Fertilizer

plant—Rs. 49,500/-

उत्तर रेलवे में पुल निरीक्षकों को सुविधायें

2100. श्री जाहन स्वरूप : क्या रेल मंत्री यह बताने की कृपा करेंगे कि

(क) क्या मिया भाई एवार्ड के अन्तर्गत पुल निरीक्षकों के लिये कुछ सुविधाओं की सिफारिश की गई हैं।

(ख) क्या सभी जोनल रेलों के पुल निरीक्षकों को ये सुविधायें पहले ही उपलब्ध कर दी गई हैं; और

(ग) क्या उत्तर रेलवे के पुल निरीक्षकों को ये सुविधायें नहीं दी गई है ?

रेल मंत्रालय में उपमंत्री (श्री बूटा सिंह): (क) रेल श्रम अधिकरण, 1969 (मिया भाय अधिकरण) ने पुल निरीक्षकों के बारे में कोई विशिष्ट सिफारिश नहीं की है।

(ख) और (ग). प्रश्न नहीं उठता।

Unauthorised production by Foreign Drug Firms

2101. SHRI NANUBHAI M PATEL: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether number of items manufactured during last three years by May and Baker, Pfizer, Hoechst, Sandoz are mostly based on unauthorised production;

(b) if so, the particulars of the same;

(c) whether these companies have fulfilled all conditions of Letters of Intent before their conversion into Industrial licences; and

(d) if so, how Government propose to impose conditions now?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI P. C. SETHI): (a) and (b). Unauthorised production may occur in two ways as follows:

(i) Production without industrial licence; and

(ii) Production over and above approved licensed capacity, i.e. excess production.

No instance regarding (i) above has come to the notice of the Government. If any specific instance is brought to the notice of Government, the same could be looked into and action taken in accordance with the law on the subject

Some cases regarding excess production over and above licensed capacity have come to the notice of the Government. The Hathi Committee has made certain recommendations in this regard. These recommendations are under active consideration of the Government and these cases would be dealt with in accordance with the decision

(c) and (d) The licences are granted only when the companies have fulfilled all the conditions contained in the letters of intent

Black-Listed Foreign Drug Companies

2102 SHRI BHALJIBHAI PARMAR: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state.

(a) what were the grounds on which certain foreign drug companies having more than 40 per cent foreign equity were black-listed during recent years;

(b) whether these companies have been found indulging in over-invoicing/under-invoicing, selling of imported raw materials and other operations against the rules;

(c) whether Government have conducted any study of the raw material imported by these companies during

past three years *vis-a-vis* their international price; and

(d) if so, the results thereof?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI P. C. SETHI): (a) to (d). No foreign company with more than 40 per cent foreign equity has been blacklisted during recent years under Import and Export (Control) Act, 1947. However, one company M/S. Ciba of India Limited came to adverse notice of the Import Trade Control organisation and penal action has been taken against them under the Import (Control) Order, 1955.

Companies Producing Ethambutol Bulk and its Formulations

2103. SHRI BHALJIBHAI PARMAR: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) how many companies in India are producing Ethambutol bulk and its formulations which is anti T.B. drug, their licensed capacities for bulk drug formulations which is anti T.B. drug, during last three years, year-wise;

(b) what are plan targets for this drug and whether any of the above companies have produced in excess of their licensed capacities and what action Government propose to take against excess utilisation of foreign exchange in the form of imported raw materials; and

(c) whether any progress has been made in the development of technology by any of the national laboratories?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI P. C. SETHI): (a) and (b). The estimated demand by end of Fifth Plan of bulk Ethambutel is 20 tonnes per annum. So far two units, viz. M/s. Themis Chemicals and M/s. Cyanamid India Ltd. have been given industrial licences to manufacture this bulk drug. Till now, these companies have not commenced production of this bulk drug. In addition, 4 companies have been granted Letters of intent for a capacity of 26 tonnes per annum. Higher capacity has been approved as it is likely to take long time before the units are able to establish their production.

Three units in the organised sector are manufacturing formulations based on imported Ethambutol. Their licensed capacities and production during the last 3 years are as follows:—

(in Million Nos. Tablets)

Name of company	Licensed capacity per annum	Production during 1973	1974	1975
Cyanamid India Ltd.	2·5	3·73	4·51	5·17
Themis Chemicals	[Information is being collected and will be laid on the Table of the House as soon as possible).			
Themis Pharmaceutical				

M/s. Cyanamid has been producing formulation in excess of their licensed capacity. Final decision in this regard would be taken after Government has taken a decision on the recommendations of the Hathi Committee on this subject.

(c) According to Council of Scientific and Industrial Research, know-how for Ethambutol is still under development at Central Drug Research Institute, Lucknow.

Import of Crude Oil and Petroleum Products

2105. SHRI SOMNATH CHATTERJEE Will the Minister of PETROLEUM be pleased to state:

(a) the quantity and value of crude oil and petroleum products imported, year-wise, from 1973-74 to 1975-76;

(b) the quantity and value of crude oil and petroleum products planned to be imported during 1976-77; and

(c) whether Government expect to achieve self-sufficiency in oil by 1980?

THE DEPUTY MINISTER IN THE MINISTRY OF PETROLEUM (SHRI ZIAUR RAHMAN ANSARI): (a) The information is given below:

Quantity in million tonnes
Value in Rs. / crores

Year	Crude oil		Petroleum products	
	Q	V	Q	V
1973-74	13·87	416·38	3 55	124·50
1974-75	13·99	917·71	2·74	203·14
1975-76 (Provisional)	13·93	1028·29	1·95	178·18
(b) The information is given below :—				
1976-77 (estimated)	13·5	1085 00	2·2	227·60

(c) It is difficult to predict by what time India will achieve self-sufficiency in oil

Separate Petroleum Supply Depot for Himachal Pradesh

2105. PROF. NARAIN CHAND PARASHAR. Will the Minister of PETROLEUM be pleased to state:

(a) whether the Central Government have received a request for a separate Petroleum Supply Depot for the State of Himachal Pradesh; and

(b) if so, the likely date by which the depot would be opened?

THE DEPUTY MINISTER IN THE MINISTRY OF PETROLEUM (SHRI ZIAUR RAHMAN ANSARI): (a) and (b). Yes Sir The Indian Oil Corporation proposes to construct two road-fed bulk depots at Parwanoo and Damtal in Himachal Pradesh before the end of the current financial year.

Introduction of Trains from Puri to Raipur and from Vizag to Bailadilah

2106. SHRI GIRIDHAR GOMANGO: Will the Minister of RAILWAYS be pleased to state:

(a) whether his Ministry has received proposals from the South East-

ern Railway to introduce a new express train from Puri to Raipur (M.P.) and a passenger train from Vizag to Bailadilah (M.P.); and

(b) if so, when the trains will be introduced on these lines?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI BUTA SINGH): (a) and (b). No proposal from South Eastern Railway for the introduction of an express train between Puri and Raipur has been received. A proposal to introduce a mixed train on Waltair and Bailadilah section was however, received and the Railway proposes to introduce this train from 1-9-1976.

Railway Land for Use of Government of Orissa

2107. SHRI GIRIDHAR GOMANGO: Will the Minister of RAILWAYS be pleased to state:

(a) whether the Government of Orissa sent any proposal for the release of the railway land which is lying vacant adjoining to the Rayagada town for the use of the Government of Orissa for different purposes; and

(b) if so, what are the terms and conditions laid down by his Ministry to release the land to the Government of Orissa?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI BUTA SINGH): (a) and (b). In July, 1976, the State Government of Orissa requested relinquishment of 237.447 acres of railway land in Rayagada in favour of Revenue Department. The Railway Administration expressed its inability to part with the land in view of their future needs

Subsequently in February, 1976 the State Government forwarded a request from Chairman, Rayagada Municipality requesting for relinquishment of a piece of railway land measuring about 5 acres. The State Government were advised that the land in question was encroached upon unauthorisedly and the Railway Administration has no objection to relinquish it in favour of the State Government provided they are prepared to take over the land with the encroachments and play the current market value thereof. There has been no further reponse from the State Government. South Eastern Railway are however again reviewing their total requirements of land at Rayagada and if after this appraisal any land is found surplus to their requirements the same could be relinquished to the State Government if they are still interested.

उर्वरकों का उत्पादन

2108. **श्री भागीरथ भूंवर :** क्या रसायन और उर्वरक मंत्री यह बताने की कृपा करेंगे कि :

(क) देश में उर्वरकों की आवश्यकता कितनी है तथा उनकी उत्पादन की प्रतिशतता कितनी है ;

(ख) उर्वरक के उत्पादन के मामले में अन्य देशों की तुलना में हमारे देश की स्थिति क्या है ; और

(ग) पांचवीं पंचवर्षीय योजना में उर्वरकों के उत्पादन का लक्ष्य क्या होगा ?

रसायन और उवरक मंत्री (श्री पी० सी० सेठी) : (क) अपेक्षित सूचना निम्न प्रकार :—

वर्ष	आवश्यकता		उत्पादन		आवश्यकता की प्रतिशतता	
	नाइट्रोजन	पी$_2$ ओ$_5$	नाइट्रोजन	पी$_2$ ओ$_5$	नाइट्रोजन	पी$_2$ ओ$_5$
	(लाख मी० टन)		(लाख मी० टन)			
1975-76 (वास्तविक)	21.49	4.67	15.35	3.20	71.4	68.4
1976-77 (अनुमानित)	26.5	6.0	19.5	4 8	73.6	80

पोटासिक उर्वरक का उत्पादन देशीय रूप से नही किया जाता है और उसकी समस्त माग को आयात द्वारा पूरा किया जाता है ।

(ख) अन्य देशों के 1974-75 के उत्पादन आंकड़े उपलब्ध नही हैं । निम्न सारिणी में 1974-75 के दौरान भारत और कुछ अन्य देशों का उत्पादन दर्शाया गया है :—

(000 मी० टन)

देशका नाम	उत्पादन	
	नाइट्रोजन	पी$_2$ ओ$_5$
1. भारत	1185	327
2. पाकिस्तान	310	5
3. चीन	3090	1302
4. जापान	2340	769
5 यू० एस० ए०	8621	6049
6. कनाडा	800	734
7. यू० के०	884	429
8 यू० एस० एस० आर०	7856	3868

(स्रोत एफ ए ओ का मार्च, 1976 का मासिक बुलेटिन)

(ग) पांचवीं योजना के प्रारूप में 1978-79 के दौरान नाइट्रोजन के 40 लाख मीट्रिक टन और पी$_2$ओ$_5$ के 12.5 लाख मीट्रिक टन के उत्पादन लक्ष्य की परिकल्पना की गई है ।

वर्षा से रेल पटरियों की क्षति

2109. **श्री भागीरथ भंवर :** क्या रेल मंत्री यह बताने की कृपा करेंगे कि :

(क) गत मास वर्षा के कारण रेल पटरियों को किन किन स्थानों पर क्षति हुई और इनके निर्माण और मरम्मत पर कितना धन खर्च होने का अनुमान है ;

(ख) क्या कुछ ऐसे स्थान हैं जहां वर्षा के कारण रेल लाइनों को प्रत्येक वर्ष क्षति होती है और यदि हां, तो उन स्थानों के नाम क्या हैं ; और

(ग) क्या वहां स्थायी रूप से निर्माण कार्य आरम्भ करने का विचार है ?

रेल मंत्रालय में उपमंत्री (बूटा सिंह): (क) एक विवरण सभा पटल पर रखा गया है । [देखिये संख्या एल० टी० 11317/76] ।

(ख) जी हां, प्रभावित स्थान निम्नलिखित हैं :—

क्रम संख्या	रेलवे	खण्ड	स्टेशनों के बीच
1.	पूर्व	पटना जक्शन—किऊल	टाल जक्शन—रामपुर डुमरा
2.	उत्तर	सूरतगढ़—हनुमानगढ़ (कैनाल लूप)	सूरतगढ़—सरूपसर
3.	उत्तर	सरूपसर—अनूपगढ़	रामसिंहपुर—अनूपगढ़
4.	पूर्वोत्तर	मैलानी—कौड़ियाला	बेलराया—तिकुनिया के बीच नहर पुल ।

(ग) स्थिति इस प्रकार है :—

क्रम संख्या	खण्ड	स्थिति
1.	पटना ज०—किऊल . .	उपचारात्मक उपाय किये जा रहे हैं और तटबंध के धीरे धीरे पक्का होने की आशा है ।
2 .	सूरतगढ़—हनुमानगढ़ (कैनाल लूप) . .	रेल पथ पर बाढ़ आने का कारण नली नदी है । इस समस्या का स्थायी हल राज्य सरकार के सहयोग एवं परामर्श से ढूंढना होगा ।
	बेरोड़—अनूपगढ़	इस सम्बन्ध में राज्य सरकार एवं केन्द्रीय जल आयोग से पत्र व्यवहार चल रहा है ।

क्रम संख्या	खण्ड	स्थिति
4.	मैलानी—कौडियाला	रेल पथ को ऊंचा करने और रीग्रेडिंग का काम पूरा हो गया है। निधि उपलब्ध होने पर इसके क्रियान्वयन पर विचार किया जाएगा।

भारत और पाकिस्तान के बीच चलने वाली रेलगाड़ियों के टिकटों, रेल डिब्बों तथा इंजनों पर प्रयोग की जाने वाली भाषा

†2110. **श्री भागीरथ भंवर :** क्या रेल मंत्री यह बताने की कृपा करेंगे कि :

(क) भारत और पाकिस्तान के बीच चलने वाली रेल गाड़ियों के टिकटों, रेल डिब्बों तथा इंजनों पर विवरण लिखने के लिये किस भाषा और लिपि का प्रयोग किया जाएगा; और

(ख) क्या दोनों देशो के रेल टिकटो में समानता अथवा एकरूपता है ?

रेल मंत्रालय में उपमंत्री (श्री बूटा सिंह): (क) टिकटो मे प्रयोग होने वाली भाषायें अंग्रेजी, हिन्दी और उर्दू हैं और उपयोग होने वाली लिपिया रोमन, देवनागरी और अरबी हैं। गंतव्य स्टेशन के बोर्डों पर गतव्य स्थान जैसे लाहौर तथा अमृतसर अग्रेजी, उर्दू और हिन्दी मे लिखे जाते हैं। केवल अटारी तक चलने वाले भारतीय रेलवे के रेल इंजनो पर उनके नम्बर तथा मालिक रेलवे का नाम एक ओर हिन्दी मे दूसरी ओर अंग्रेजी मे लिखा गया है।

(ख) जी नही।

भारत और पाकिस्तान के बीच चलने वाली गाड़ियों में वातानुकूलित डिब्बे और शयनयान

2111. **श्री भागीरथ भंवर :** क्या रेल मंत्री यह बताने की कृपा करेंगे कि :

(क) भारत और पाकिस्तान के बीच प्रति दिन कुल कितनी गाड़ियां चलाने का विचार है और क्या इन गाड़ियों मे प्रथम और द्वितीय श्रेणी के वातानुकूलित डिब्बे भी लगाये जायेंगे। यदि हा, तो उनकी संख्या कितनी होगी ; और

(ख) क्या इन गाड़ियों मे भोजन-यान और शयनयान भी लगाये जाते हैं अथवा लगाये जायेंगे ?

रेल मंत्रालय में उपमंत्री (श्री बूटा सिंह): (क) और (ख). 22-7-76 से अमृतसर और लाहौर के बीच एक जोडी दैनिक एक्स-प्रेस गाड़ी चलायी गयी है जिनमे स्थानो की व्यवस्था दो दर्जों मे की गई है अर्थात् "अपर" और "लोअर" जो भारतीय रेलों के वर्तमान पहला दर्जा और दूसरा दर्जा के बराबर हैं। इस गाड़ी मे इस समय वातानुकूलित सवारी डिब्बे, भोजनयान या शयनयान लगाने का कोई प्रस्ताव नही है।

Procurement of Tubulars for Oil Drilling

2112 SHRI ARJUN SETHI Will the Minister of PETROLEUM be pleased to state

(a) whether due to the world-wide stepping up of oil drilling operations tubulars are being purchased and stored the world-over on a large scale,

(b) whether steps have been taken by Government to procure enough

tubulars to meet its needs of expanded oil drilling and exploration; and

(c) what is the indigenous capacity to manufacture such tubulars?

THE DEPUTY MINISTER IN THE MINISTRY OF PETROLEUM (SHRI ZIAUR RAHMAN ANSARI): (a) No; Sir.

(b) Yes, Sir. Tubulars are being purchased on an annual basis keeping in view the planned drilling meterage.

(c) Approximately 340 tonnes per month.

Procedure Prescribed for imposing Penalty

2113. SHRI K. M MADHUKAR: Will the Minister of RAILWAYS be pleased to state·

(a) whether the Bombay High Court, in a case (1976 LIC 934), has given the verdict that forfeiture of the past services resulting in Break-in-Service cannot be imposed on any Government Servant without following the procedure prescribed for imposing the penalty; and

(b) if so, whether the break-in-services imposed on large numbers of Railway employees for May 1974 Rail Strike are being reviewed in the light of the above mentioned Court's judgement?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI BUTA SINGH): (a) and (b). The judgement of the Bombay High Court relating to certain employees of the Office of the Comptroller and Auditor General of India, has no application to the Railway employees who are governed by the statutory provisions of their own contained in the Indian Railway Establishment Codes. However, break in services in the case of employees for participating in the illegal strike of May 1974 have since been condoned excepting employees charged with sabotage, violence and intimidation.

Accommodation on Sleeper Coaches for T.T.Es. of Olavakkot Division (Southern Railway)

2114. SHRIMATI PARVATHI KRISHNAN: Will the Minister of RAILWAYS be pleased to state:

(a) whether the Travelling Ticket Examiners (Sleeper Sections) Olavakkot Division, Southern Railway are not provided with suitable accommodation on sleeper coaches; and

(b) if so, the facts thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI BUTA SINGH): (a) and (b). No. A seat is earmarked for the T. T. E. manning the sleeper coach.

Inadequate facilities in Quarters at Jullunder, Delhi and Bhatinda

2115. SHRIMATI PARVATHI KRISHNAN: Will the Minister of RAILWAYS be pleased to state:

(a) whether Government have received representations from the employees regarding bad sanitary condition, non-whitewashing and inadequate facilities in the Railway quarters in Jullunder, Delhi, Bhatinda and other stations of Northern Railway; and

(b) if so, Government's reaction thereto?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI BUTA SINGH): (a) Yes, except Bhatinda station.

(b) Representations are received from the staff in regard to sanitary conditions, whitewashing and repairs to staff quarters, improvements such

as providing individual taps, individual latrines and baths to Quarters of Class IV staff, improvement to drainage and roads etc. It is the constant endeavour of the Railway Administration to keep Railway premises, including Railway quarters and colonies, neat and tidy. Whitewashing of staff quarters is done once in 2/2½ years except in the case of quarters for class IV staff where this is done annually. Repairs to quarters like replacement of broken doors and windows, repairs to floors, drains etc. are carried out as and when required and every effort is made to keep the quarters in good state of maintenance.

Complaints have also been received regarding inadequate facilities in the old type railway quarters built in the pre-Independence days The Railway administration is aware of the problem. Basic facilities lacking in some of these quarters will be provided on a programmed basis according to the availability of funds. Quarters which have outlived their normal life and are beyond economic repairs are progressively replaced by new quarters While the old type I quarters (for low paid staff) were one room tenements, newly built type I quarers are two-roomed.

Sanitising of dry type latrines and provision of individual latrines and bath rooms where community latrines exist at present are also being done according to the availability of resources.

Supply of Oil to Nepal

2116. SHRI M. S. PURTY: Will the Minister of PETROLEUM be pleased to state:

(a) the quantity and the price at which oil has been supplied by India to Nepal during last two years; and

(b) whether the supplies to Nepal were made out of the country's own reserves or these are specially arranged on behalf of the Government of Nepal from the Arab countries?

THE DEPUTY MINISTER IN THE MINISTRY OF PETROLEUM (SHRI ZIAUR RAHMAN ANSARI): (a) the quantity of petroleum products supplied by India to Nepal during the last two years is as follows:

Year	Quantity (Metric Tonnes)
1974 . .	64,001
1975 . .	77,998

It will not be in the public interest to disclose the information about price at which the above quantity has been supplied.

(b) Until 1974, supplies of petroleum products to Nepal were made out of our own availability. From January 1975 onwards, supplies to Nepal are being made on product exchange basis against imports arranged by the Nepal Oil Corporaion.

Work on Apta-Dasgaon Railway

2117. † SHRI SHANKERRAO SAVANT: Will the Minister of RAILWAYS be pleased to state:

(a) whether Planning Commission has been approached for sanctioning the work only on the Apta-Dasgaon section of the West Coast Railway;

(b) if so, with what result; and

(c) when will the work on this section be started?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI BUTA SINGH): (a)

to (c). The Planning Commission who had recently been approached with a number of proposals for laying new rail links including Apta-Dasgaon have not agreed for taking up the proposed rail link at present. The proposal will be examined further after the results of the Traffic Survey and financial appraisal which is proposed to be carried out during the current financial year are known.

Funds for Bombay Metropolitan Railway Transport Project

2118. SHRI RAJA KULKARNI: Will the Minister of RAILWAYS be pleased to state:

(a) whether Government have finally decided to clear the Bombay Metropolitan Railway Transport Project, for completion during the Fifth Five Year Plan; and

(b) how much funds have been sanctioned for construction of important parts of the truncated sixth corridor of this Metropolitan Project during 1976-77 and what progress has been made thereafter?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI BUTA SINGH): (a) Not yet.

(b) The Planning Commission are still examining these proposals.

Revision of Examination Scheme for Combined Engineering Services and Electronics Engineering Services

2119. SHRI SUKHDEO PRASAD VERMA: Will the Minister of RAILWAYS be pleased to state:

(a) whether the Union Public Service Commission has revised the examination scheme for the combined engineering services and the electronics engineering services; and

(b) if so, the main features thereof and the time by which it is likely to come into force?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI BUTA SINGH): (a) Yes, in respect of all groups of Engineering Services.

(b) The revision pertains to the written test in Engineering subjects. From the 1977 examination onwards, candidates will be examined in 5 "core subjects" instead of in any 7 out of 10 to 12 specialised subjects as at present.

Railway Line from Fort Market to Ravali Camp

2120. SHRI VASANT SATHE: Will the Minister of RAILWAYS be pleased to state:

(a) whether a proposal for construction of a rail line from Fort Market to Ravali Camp has been submitted by the Railway Board to the Planning Commission for its approval;

(b) if so, the salient features thereof and the reaction of the Commission thereto; and

(c) if the proposal is not cleared, how soon a decision in the matter is likely to be taken?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI BUTA SINGH): (a) Yes.

(b) and (c). The first phase of Corridor 6 was proposed as a new pair of lines about 11 Kms. long from Rsoli Jn. on the Harbour Branch of the Central Railway to a new terminal at Fort Market, together with a railway flyover at Bandra to connect the Harbour Branch of the Central Railway to the slow lines of the Western Railway. This work was estimated to cost Rs. 67.21 crores at the April '74 price level.

A Study Group was set up by the Planning Commission to examine this proposal and the scheme is still under consideration

रेलवे डाक सेवा के डिब्बों की स्थिति

2121. श्री रामावतार शास्त्री: क्या रेल मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या पजाब मेल तथा दूसरी तेज गाड़ियों मे लगने वाले रेलवे डाक सेवा के डिब्बो की स्थिति बहुत दयनीय है ,

(ख) क्या रेलवे डाक सेवा, पटना के कर्मचारियों की यूनियन ने इस बारे मे सम्बन्धित अधिकारियों की लिखित रूप मे शिकायत की है ; और

(ग) यदि हा, तो उस पर सरकार ने क्या कार्यवाही की है ?

रेल मंत्रालय में उपमत्री (श्री बूटा सिह): (क) डाक यान की दशा शोचनीय है ।

(ख) अभी हाल मे रेल प्रशासन को ऐसी कोई शिकायत मिली प्रतीत नही होती ।

(ग) लेकिन हम कुछ गतायु डिब्बो को बदलने के प्रस्ताव पर विचार कर रहे हैं ।

Railways "Holiday Homes"

2122 SHRI SUKHDEO PRASAD VERMA Will the Minister of RAILWAYS be pleased to state

(a) the names of the cities where Railways are having Holiday Homes,

(b) the names of Departments other than Railways, whose officers and staff are eligible to stay in these Holiday Homes and

(c) the time taken on an average for providing facilities in these Holiday Homes to officers of various categories?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI BUTA SINGH): (a) A Statement is attached giving names of places where Holiday Homes are located

(b) The non-Gazetted Central Government employees of other Ministries/departments are eligible for allotment of railway Holiday Homes if accommodation is available after meeting the requirements of railway staff Gazetted Officers of other Ministries/Departments are not eligible for such allotments of Holiday Homes meant for Gazetted Officers of the railway

(c) Applications for allotment are made six to eight weeks in advance of the date from which allotment is required Allotments of accommodation are made on first-cum-first serve' basis As such no indication can be given regarding the average time taken to provide accommodation to the employees

Statement

1 Mussoorie (Northern Railway)
2 Shillong
3 Simla
4 Pahalgam
5 Srinagar
6 Lonavla
7 Matheran
8 Igatpuri
9 Puri (Eastern Railway)
10 Baidyanathdam
11 Rajgir
12 Barog
13 Bandra (Bombay)
14 Courtallam
15 Madurai
16 Mysore
17 Coonoor
18 Ranchi
19 Naimital
20 Mussoorie (Eastern Railway)

21. Puri (South Eastern Railway)

22. Srinagar
23. Pahalgam

} Meant for Gazetted Officers of Railways.

Loading of More Goods in Wagons

2123. SHRI C. K. CHANDRAPPAN:
SHRI R. K. SINHA:

Will the Minister of RAILWAYS be pleased to state:

(a) whether the Railway Vigilance Organisation has detected some cases of malpractices being adopted by certain firms in loading more goods than required in the wagons;

(b) if so, the number of persons arrested in this connection; and

(c) whether some railway employees were also found involved in this act of cheating the Railways; and if so, the action taken against them?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI BUTA SINGH): (a) Yes

(b) No person has been arrested in this connection

(c) Nothing has been found so far to indicate involvement of railway staff.

Technical assistance from U.N.D.P. for development of Bombay high oil reserves

2124. SHRI RAJDEO SINGH: Will the Minister of PETROLEUM be pleased to state:

(a) whether our efforts to develop the newly found oil reserves in Bombay High are to be helped with technical assistance by the U.N. Development Programme under a project just approved;

(b) if so, whether U.N.D.P. experts will advise Indian Technologists in determining the appropriate methods of developing the Bombay High reserves; and

(c) whether these experts will also prepare an overall development plan for the maximum recovery of oil and gas from each of the Bombay High reservoirs?

THE DEPUTY MINISTER IN THE MINISTRY OF PETROLEUM (SHRI ZIAUR RAHMAN ANSARI): (a) Yes, Sir.

(b) Yes, Sir.

(c) Yes, Sir.

Investment in Fertiliser Production

2125. SHRI RAJDEO SINGH: Will the Minister of CHEMICALS AND FERTILIZERS be plesaed to state:

(a) whether there will be an investment of Rs. 4400 million in fertilizer production in 1976-77;

(b) whether more production capacity will be created by extension of existing and setting up of new fertilisers plants; and

(c) the broad features of the yearly plan for spending?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI P. C. SETHI). (a) The investment in the public sector fertilizer plants during 1976-77 would be about Rs. 420 crores.

(b) A large scale programme is on hand for augmenting indigenous capacity for the manufacture of fertilizer in the Public, Private and Co-operative sectors. With the completion of this programme, the capacity is expected to increase to 65 lakh tonnes of nitrogen and 17 lakh tonnes of P_2O_5

as against the existing capacity of 29.73 lakh tonnes of nitrogen and 6 92 lakh tonnes of P_2O_5.

(c) The total investment during the year 1977-78 and 1978-79 is tentatively estimated at about Rs 642 crores

Representation from Central Railway Staff (Refugee) at Kurla

2126 SHRI K M 'MADHUKAR'. SHRIMATI ROZA DESHPANDE

Will the Minister of RAILWAYS be pleased to state

(a) whether any representation has been received from the Central Railway Staff (refugees) residing in the Central Railway Refugee Colony at Kurla requesting allotment of the hutments in which they live permanently, to them as the Refugee Rehabilitation Department has not done anything for them, and

(b) if so, decision taken thereon?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI BUTA SINGH) (a) and (b). Staff quarters are constructed to house serving Railway employees Accordingly, when the hutments in question are vacated by their present occupants (following transfer or retirement), they will be allotted to other serving Railway staff waiting for accommodation The representation referred to has therefore been turned down

Re-instatement of casual labourers and substitutes (Eastern Railway)

2127 SHRI K M. "MADHUKAR": Will the Minister of RAILWAYS be pleased to state:

(a) whether the re-instatement of a large number of casual labourers and substitutes at Dhanbad, Patherdih, Kusunda etc. in C & W Department, Eastern Railway was made in May, 1974 in terms of Industrial Dispute Act, 1947; and

(b) if so, the particulars of these re-instatements?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI BUTA SINGH) (a) No

(b) Does not arise

Construction of overbridges in Karnataka

2128 SHRI K MALLANNA: Will the Minister of RAILWAYS be plesed to state

(a) the number of railway overbridges sanctioned for construction in the State of Karnataka during the year 1975-76 and the total amount sanctioned therefor, and

(b) the progress made in the construction of these projects and the total amount spent thereon so far?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI BUTA SINGH) (a) Three road overbridges were snctioned for construction in Krnataka State during 1975-76 at an estimated cost (Railways' share) of Rs 20 62 lakhs and the allotment made thereorfe was Rs 1 75 lakhs

(b) For the road overbridges, construction of bridge proper is unundertaken by the Railways where the approaches are constructed by the Road authorities The progress made on construction and the amount spent (so far as the Railways are concerned) is as under.—

(1) *Road overbridge at Londa:*

Tenders have been called for and are under finalisation: Work would be started after their acceptance by the Railway. Expenditure incurred so far is Rs. 3 24 lakhs.

(ii) *Road overbridge at Bellary*:

Collection of materials for starting the work is in progress P.W.D./Karnataka have suggested some change in the alignment which is presently under examination. Physical construction of the bridge can be taken up only after this is finalised with the State Government. Expenditure incurred by the Rilway on this work so far is Rs. 1.13 lakhs.

(iii) *Road overbridge at Hirehalli*:

Work has not yet been taken up as the Road Authorities have not started the work on the approaches. Railway would progress the work concurrently with the Road authorities. No expenditure has, therefore, been incurred by the Railway on the work so far.

Violation of law against dowry

2129. SHRI K. MALLANNA: Will the Minister of LAW, JUSTICE AND COMPANY AFFAIRS be pleased to state:

(a) whether Government have received any reports from the States on the infringement of the law against the dowry system;

(b) if so, the names of such States; and

(c) the reaction of Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF LAW, JUSTICE AND COMPANY AFFAIRS (DR. V. A. SEYID MUHAMMAD): (a) In connection with a starred question answered in the Lok Sabha, the State Governments and Union territory Administrations were requested to furnish information, *inter alia*, about the number of dowry cases reported during 1975.

(b) A statement containing the names of the State Governments and Union territory Administrations which furnished the relevant information is attached.

(c) Government is examining the question of amendments to the Dowry Prohibition Act in the light of replies received from State Governments, amendments made by State Governments and suggestions made by the Committee on the Status of Women in India and others.

Statement

State Governments

1. Andhra Pradesh.
2. Assam.
3. Gujarat.
4. Haryana.
5. Himachal Pradesh.
6. Jammu & Kashmir.
7. Karnataka.
8. Kerala.
9. Maharashtra.
10. Manipur.
11. Meghalaya.
12. Orissa.
13. Uttar Pradesh.
14. Sikkim.

Union Territory Administrations

1. Andaman & Nicobar Islands.
2. Arunachal Pradesh.
3. Chandigarh.
4. Dadra and Nagar Haveli.
5. Delhi.
6. Goa. Daman and Diu.
7. .Lakshadweep.
8. Mizoram.
9. Pondicherry.

Committees of High Court Judges on disposal of cases

2130. SHRI R. K. SINHA:
SHRI VASANT SATHE:

Will the Minister of LAW, JUSTICE AND COMPANY AFFAIRS be pleased to state:

(a) whether the Central Government have asked the State Governments to appoint committees of

Judges of High Courts to ensure speedy disposal of court cases; and

(b) the reaction of the State Governments thereto?

THE MINISTER OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI H. R. GOKHALE): (a) The State Governments were requested to set up Committees at District and State levels to review the progress in regard to trial and investigation of cases and suggest remedial measures that are required on urgent basis. It was also brought to the notice of the State Governments that some High Courts have established Committees of Judges of the High Court to review the out-turn of subordinate courts. This was commended to the State Governments along with certain other measures.

(b) The suggestion was conveyed only in the last week of July, 1976. The State Governments have yet to convey their reaction.

Drilling operations of O&NGC in Foreign Countries

2131. SHRI R K. SINHA: Will the Minister of PETROLEUM be pelased to state:

(a) the countries in the world where the Oil and Natural Gas Commission is conducting joint drilling operations; and

(b) the progress of the drilling operations in each case?

THE DEPUTY MINISTER IN THE MINISTRY OF PETROLEUM (SHRI ZIAUR RAHMAN ANSARI): (a) and (b). The ONGC is not conducting joint drilling operations in foreign countries.

Scaling problems in Namrup and Durgapur Fertilizer plants

2132. DR. RANEN SEN: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the Namrup and the Durgapur Fertilizer Plants faced some scaling problems recently causing corrosion in condencers, boilers, and tubes; and

(b) if so, the facts thereof?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI P. C. SETHI): (a) and (b). In the Durgapur plant of FCI scaling occured in the initial stages in the heat exchanger tubes due to the presence of dissolved salts in the cooling water used. Scaling problems resulting in corrosion, however, did not arise in the case of the condencers or boilers at Durgapur or in the Namrup plant of FCI.

Shalimar Works Limited

2133. DR. RANEN SEN: Will the Minister of LAW, JUSTICE AND COMPANY AFFAIRS be pleased to state:

(a) whether the C.B.I had seized some records of Shalimar Works Limited; and

(b) whether the investigation into the case has been completed, and if so, the findings thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI BEDABRATA BARUA) (a) and (b). Central Bureau of Investigation seized some records of Shalimar Works Limited. The investigation by Central Bureau of Investigation has been completed and charge sheets have been filed against the accused by Central Bureau of Investigation in the Court. Investigation under the provisions of Section 237(b) of the Companies Act, 1956 is proceeding.

बिहार राज्य में रेलवे लाईनों की लम्बाई

2134. **श्री चिरंजीव झा :** क्या रेल मंत्री यह बताने की कृपा करेंगे कि बिहार राज्य में बड़ी-बड़ी लाइनों, मीटरगेज लाइनों और नैरोगेज लाइनों की किलोमीटरों में लम्बाई कितनी है ?

रेल मंत्रालय में उपमंत्री (श्री बूटा सिंह) : बिहार में रेलवे लाइनों की लम्बाई मार्ग किलोमीटर में निम्नलिखित है :—

बड़ी लाइन	.	3179 कि०मी०
मीटर लाइन	.	1929 कि०मी०
छोटी लाइन	.	277 कि०मी०

Decision on Western Railway Headquarters at Ahmedabad

2135. SHRI D. D. DESAI: Will the Minister of RAILWAYS be pleased to state whether any final decision has been taken about locating Western Railway Headquarters at Ahmedabad?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI BUTA SINGH): The matter has been considered and no justification has been found for shifting Western Railway Headquarters from Bombay.

Allotment of vacant land to Railway Staff Cooperatives

2136. SHRI HARI SINGH: Will the Minister of RAILWAYS be pleased to state:

(a) whether Government have recently decided to give vacant railway land to the Railway Staff Cooperatives for the construction of houses; and

(b) if so, the particulars of those Cooperatives and the salient features of the decision?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI BUTA SINGH): (a) Vacant Railway land which is not required for the Railway's immediate use is put to the following use:—

1.1. For Grow More Food purposes—Land in between stations is normally handed over to the State Government for Grow More Food purposes and the areas which are not required by the State Government are licensed to outsiders and Railway employees belonging to Scheduled Castes, Scheduled Tribes, backward classes and other landless poor.

Land within the station yards and colonies is licensed to Railway employees belonging to Scheduled Castes, Scheduled Tribes and other landless poor In cases where land is not required by such categories of employees, it is licensed to outsiders.

1.2. For Planting of trees.

1.3. In the Railway colonies land is also licensed to welfare organisations for running of schools, Railway Cooperative Stores, Handicraft centres, Homoeopathic dispensaries etc.

2. Land surplus to Railway's requirement and is not required either by any other Central Government Department or by the State Government, is relinquished to the Railway Staff Cooperatives for the construction of houses.

(b) So far, approval for relinquishment of Railway land to Railway Employees Cooperative Societies has been given at the following places:—

(i) At Kanpur to N E. Railway Staff Housing Society Ltd.

(ii) At Jhusi to Railwaymen's Cooperative Society.

(iii) At Dharwar to Railway Employees Cooperative Housing Society Ltd and Railmen Cooperative Housing Society Ltd.

आपात स्थिति के दौरान अनुशासन तथा अपील नियमों के अधीन रेल कर्मचारियों को बर्खास्त करना

2137. श्री रामावतार शास्त्री :क्या रेल मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या रेलवे प्रशासन ने आपात स्थिति की घोषणा के पश्चात् विभिन्न क्षेत्रीय रेलों मे अनुसधान एव अपील नियमों की धारा 14(2) के अधीन रेल कर्मचारियों को रेल सेवा से बर्खास्त किया है ,

(ख) यदि हा, तो इस प्रकार के कर्मचारियों की रेल वार सख्या क्या है,

(ग) बर्खास्त कर्मचारियों मे से अपील करने वाले कर्मचारियो की रेल-वार सख्या कितनी है और उनकी अपीलो के क्या परिणाम निकले , और

(घ) ये बर्खास्त किये गये कर्मचारी कम से कम तथा अधिक से अधिक कितनी सेवा वाले थे ?

रेल मत्रालय में उपमत्री (श्री बूटा सिह): (क) से (घ). सूचना इकट्ठी की जा रही है और सभा-पटल पर रख दी जायेगी ।

आल इण्डिया रेलवे मेंनस फेडरेशन के वार्षिक सम्मेलन में किया गया निर्णय

2138. श्री रामावतार शास्त्री : क्या रेल मत्री यह बताने की कृपा करेगे कि :

(क) क्या आल इडिया रेलवेमैन्स फेडरेशन ने जुलाई, 1976 के आरम्भ में अपना वार्षिक सम्मेलन किया था,

(ख) यदि हां, तो क्या सरकार को सम्मेलन में लिए गये निर्णयों का पता है; और

(ग) सरकार की उस पर क्या प्रतिक्रिया है ?

रेल मंत्रालय में उपमंत्री (श्री बूटा सिह): (क) जी हां ।

(ख) और (ग). फेडरेशन द्वारा पारित प्रस्तावों की एक प्रति प्राप्त हो गयी है। प्रस्तावों मे अनेक प्रकार के मुद्दों का जिक्र है और उन पर विचार किया जा रहा है ।

आरा-सहसराय और फतुहा-इस्लामपुर लाइट रेलवे के प्रबन्धकों के साथ समझौता

2139. श्री रामावतार शास्त्री : क्या रेल मंत्री यह बताने की कृपा करेगे कि :

(क) क्या रेल प्राशासन ने आरा-सहसराय और फतुहा-इस्लामपुर लाइट रेलवे को चालू रखने के बारे मे पिछले वर्ष उसके प्रबन्धकों के साथ कोई समझौता किया था,

(ख) यदि हा, तो उसकी मुख्य बातें क्या हैं ?

(ग) सरकार द्वारा प्रबन्धकों को सहायता के रूप मे कितनी राशि दी जा चुकी है,

(घ) क्या इस रेलवे के कर्मचारियों को गत कई मास से वेतन नही दिया गया है , और

(ङ) यदि हा, तो सरकार ने इस बारे मे क्या कार्यवाही की है ?

रेल मंत्रालय में उपमंत्री (श्री बूटा सिह): (क) केन्द्रीय सरकार (रेल मंत्रालय) ने आरा-सहसराय लाइट रेलवे कम्पनी के साथ 8-9-75 को एक पूरक करार किया है जो

1-4-75 से लेकर तीन वर्षों के लिए बंध रहेगा। एक करार सेक्रेटरी आफ स्टेट (अब भारत के राष्ट्रपति) और फतवा-इस्लामपुर लाइट रेलवे कम्पनी के बीच पहले से ही मौजूद है जो 3-9-1920 को किया गया था।

(ख) कृपया विवरण 'क' देखने का अनुग्रह करें, जो सभा पटल पर रखा गया है। [देखिए संख्या एल०टी०-11318/76]

(ग) कृपया विवरण 'ख' देखने का अनुग्रह करें, जो सभा पटल पर रखा गया है। [देखिए संख्या एल०टी०-11318/76]

(घ) जी नहीं। चालू महीने के मध्य में कर्मचारियों का केवल एक महीने का वेतन देय हो गया है और यह दोनों रेलों के लिए बकाया है। इसमें यातायात और सामान्य विभाग के कर्मचारी शामिल नहीं हैं।

(ङ) फतवा-इस्लामपुर लाइट रेलवे को 31-3-75 को समाप्त होने वाली अवधि के लिए देय आर्थिक सहायता की शेष रकम अनंतिम रूप से दी जा रही है। आरा-सासाराय लाइट रेलवे कम्पनी को सितम्बर, 1976 के महीने की आर्थिक सहायता के रूप में 50,000 रुपये का अनंतिम भुगतान भी किया जा रहा है इससे कम्पनी चालू महीने में देय रकम का पूरा पूरा भुगतान कर सकेगी।

Judgment of U.S. Supreme Court regarding Six Drug Firms

2140. SHRI NANUBHAI N. PATEL: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to refer to the reply given to Unstarred Question No. 1564 on 30th March, 1976 regarding sueing of six U.S. drug firms and state:

(a) the action taken by Government of India on the Judgment of the U. S. Supreme Court against the writ petition filed by Government;

(b) the basis on which the six companies in question were sued and how much foreign exchange has been spent in pursuing the matter; and

(c) the amount for which these six companies were sued?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI P. C. SETHI): (a) U.S. Supreme Court in its judgement given on 9th January 1976 denied the Government of India's claim under the theory of official representative of its citizen. Accordingly Government of India itself will not be able to claim the damages suffered by the individual citizen of the country in making the purchases of drugs from defendants. The judgement, however, does not restrict the Government of India from claiming the losses suffered by it in making direct purchases. The claim for the Government damage is being pursued in U.S. Courts.

(b) Based upon an enquiry by a Senate Committee (USA) it was found that the five U.S firms viz. Pfizer, Gyanamide, Bristol Squib and Upjohn had been over charging foreign purchasers by supplying certain drugs (Broad Spectrum Antibiotics) under U'S aid or by way of other purchases by fixing their prices in collusion, thus violating the Shermen Anti-trust laws in force in USA. India has been importing broad spectrum antibiotics since 1953 by these firms. By the end of 31st July 1976 Rs. 7.4 lakhs have been spent in foreign exchange by way of legal fee.

(c) The amount of claim has not been indicated in the complaint as the same has been left for assessment during the proceedings of the case.

Coal, Diesel and Electric Engines in Operation

2141. SHRI SHANKERRAO SAVANT: Will the Minister of RAILWAYS be pleased to state:

(a) how many coal, diesel and electric engines are in operation at present;

(b) whether any programme has been fixed for replacing the coal engines by diesel or electric engines; and

(c) if so, salient features thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI BUTA SINGH): (a) 8,443 Steam engines, 1,815 Diesel and 821 Electric engines are in operation at present.

(b) and (c). Production of Steam locomotives has been discontinued and overaged, obsolete and uneconomical Steam engines are being gradually replaced by Diesel or Electric locomotives only.

उपमण्डलीय अधीक्षक के कार्यालय का सोनपुर (पूर्वोत्तर रेलवे) स्थानान्तरण

2142. श्री ज्ञानेश्वर प्रसाद यादव : क्या रेल मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या पूर्वोत्तर रेलवे में समस्तीपुर मंडल के उप-मंडलीय अधीक्षक के कार्यालय को समस्तीपुर से सोनपुर स्थानान्तरित कर दिया गया है; और

(ख) यदि हां, तो उसके क्या कारण हैं ?

रेल मंत्रालय में उपमंत्री (श्री बूटा सिंह): (क) जी हां।

(ख) भारतीय रेलों पर समस्तीपुर मण्डल मीटरलाइन वाला सबसे बड़ा मण्डल है। अतः यह विचार किया गया कि परिचालनिक वाणिज्यिक दृष्टि से, उप मण्डल अधीक्षक के लिए यह अधिक उपयोगी होगा कि वह अपना काम सोनपुर को मुख्यालय रख कर करें और वह समग्ररूप से मण्डल अधीक्षक, समस्तीपुर के प्रशासनिक नियंत्रण में हो।

बरौनी से कटिहार तक (पूर्वोत्तर रेलवे) ब्राडगेज लाइन की व्यवस्था

2143. श्री ज्ञानेश्वर प्रसाद यादव : क्या रेल मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या पूर्वोत्तर रेलवे में बरौनी से कटिहार तक ब्राड गेज लाइन की व्यवस्था करने की एक योजना सरकार के विचाराधीन है; और

(ख) यदि हां, तो रेलवे लाइन बिछाने का कार्य कब तक पूरा हो जायेगा ?

रेल मंत्री के में उपमंत्री (श्री बूटा सिंह): (क) और (ख). इस आमान परिवर्तन के लिए इंजीनियरी एवं यातायात सर्वेक्षण पूरा हो चुका है। लेकिन बाराबंकी–समस्तीपुर और न्यू बोंगाईगांव–गुवाहटी मीटर लाइन को बड़ी लाइन में बदलने की परियोजनाओं, जिनका काम चालू है, में पर्याप्त प्रगति होने बाद ही आमान परिवर्तन का यह काम हाथ में लेने का निर्णय किया जायेगा।

Objections Raised by Petroleum Traders to increase in Commission

2144. SARDAR SWARAN SINGH SOKHI: Will the Minister of PETROLEUM be pleased to state:

(a) whether objections have been raised by the All India Petroleum Traders and numerous State Associations, to the recent decisions of Government to increase the petroleum

dealers commission with effect from 1st July, 1976;

(b) whether any high level meeting was held during July 1976 to hear and redress the grievances of the All India Petroleum Traders/Dealers; and

(c) if so, the results thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF PETROLEUM (SHRI ZIAUR RAHMAN ANSARI): (a) to (c). Representations were received from dealers and their associations for modification of the rates of commission on motor spirit and high speed diesel oil introduced from 1-7-76. The Chairman & Members of the Oil Prices Committee held detailed discussions with the representatives of the Dealers' Associations and the All India Federation of Petroleum Traders on the 14th July, 1976. The points made by the Associations are being looked into by the Oil Prices Committee, whose final report is awaited. The Associations have been informed accordingly.

Legal Profession for Women

2145 SARDAR SWARAN SINGH SOKHI: Will the Minister of LAW, JUSTICE AND COMPANY AFFAIRS be pleased to state:

(a) the percentage of women Judges in the High Courts of the country and whether there is any women Judge in the Supreme Court; and

(b) what steps Government propose to take to encourage the women folk to adopt the legal profession?

THE MINISTER OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI H. R. GOKHALE): (a) There is only one woman Judge of High Court, among a total Judge strength of 351. There is no woman Judge in the Supreme Court.

(b) The Chief Ministers were requested that while sending proposals to fill vacancies in the High Courts, names of suitable women advocates/ Judicial Officers, if available, be considered and recommended for appointment as Judges.

Financial difficulties for Future on-shore Exploration Programme

2146. SARDAR SWARAN SINGH SOKHI: Will the Minister of PETROLEUM be pleased to state:

(a) whether future on-shore exploration programme has been held up due to shortage of funds;

(b) whether the present rigs are not capable of drilling beyond 3,000 metres;

(c) whether any areas have been abandoned, if so the reasons; and

(d) what steps Government propose to take to speed up the on-shore exploration work?

THE DEPUTY MINISTER IN THE MINISTRY OF PETROLEUM (SHRI ZIAUR RAHMAN ANSARI): (a) No, Sir

(b) No, Sir. The ONGC has several rigs capable of drilling beyond 3000 metres

(c) No, Sir.

(d) The ONGC is intensifying its activities for oil exploration in the most prospective areas onshore, without relenting in its offshore efforts. New drilling rigs where necessary have been and are being acquired for deployment for exploratory drilling.

Indian Companies in Foreign Countries

2147. SHRI H. N. MUKHERJEE: Will the Minister of LAW, JUSTICE AND COMPANY AFFAIRS be pleased to state:

(a) the number of Indian companies operating abroad as on 31st March, 1976; and

(b) the total assets of these companies in foreign countries as on that date?

THE DEPUTY MINISTER IN THE MINISTRY OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI BEDABRATA BARUA): (a) and (b). According to the information furnished by the Ministry of Commerce, as on 31-3-1976 Indian companies were operating 67 joint ventures abroad which are in production. The total amount of approved equity share participation by them was of the order of Rs. 15.20 crores.

Manufacture of Formulations by Foreign Drug Companies

2148. SHRI BHALJIBHAI PARMAR: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) particulars of formulations being manufactured by companies having foreign equity of more than 26 per cent during the last three years;

(b) production of such formulations during last three years and the source from which raw materials have been procured;

(c) whether Government have any proposal to initiate proceedings against such companies under the provisions of various rules in operation; and

(d) if so, facts thereof?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI P. C. SETHI): (a) and (b). the number of drug companies with foreign equity more than 26 per cent is 59 and the number of their formulations, which are based upon all kinds of bulk drugs viz. Antibiotics, Sulphas, Anti-infections, Vitamins, Anti-TB, Anti-malarial, etc. runs into thousands. A statement furnishing the names of these firms and the value of formulations produced by them during 1973, 1974 and 1975 is laid on the Table of the House. [*Placed in Library. See* No. 11319/76.]

The source of raw materials is (i) their own production of bulk drugs; (ii) procuring of bulk drugs from other bulk drug producers; (iii) imported/canalised bulk drugs obtained from State Chemicals & Pharmaceuticals Corpn. (CAPCO) and Indian Drugs & Pharmaceuticals Limited and (iv) direct imports.

(c) and (d): The question of taking action under the relevant rules arises only if there is any violation of such rules. Any instance of violation which will come to light or which would be brought to the notice of the Government will be looked into and dealt with in accordance with the law on the subject.

Drive to Plug Revenue Leakage

2149. SHRI RAGHUNANDAN LAL BHATIA: Will the Minister of RAILWAYS be pleased to state:

(a) whether the Railway have recently launched any drive to plug revenue leakage;

(b) if so, whether the drive has been fruitful; and

(c) if so, facts thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI BUTA SINGH): (a) and (b). Yes.

(c) A statement is attached.

Statement

Leakage of revenue is mainly due to (a) ticketless travel and (b) payment of compensation claims

(2) (a) With regard to ticketless travel a number of steps have been taken to pprevent ticketless travel and as a result of this considerable revenue has accured to the railways as indicated below:—

	During the period 1-7-74 to 30-6-75	During the period 1-7-75 to 30-6-76
(1) No. of persons detected travelling without tickets or with improper tickets .	18·49 lakhs	24·84 lakhs
(2) No. of unbooked luggage cases detected .	11·16 lakhs	15·73 lakhs
(3) Amount of railway dues realised . .	346·78 lakh	Rs. 479·09 lakhs

The amount of dues realised have shown an increase of about 38 per cent. As a result of the steps taken to eliminate ticketless travel, sale of tickets at booking windows and earnings has also increased appreciably. Thus against the average earnings of about Rs. 34 crores per month in 1974-75, the average monthly earnings during the period from April to June 1976 is of the order of about Rs 50 crores

(b) A vigorous claims prevention drive has been launched on Indian Railways with a view to bringing down the incidence of claims due to theft, pilferage and other causes. As a result of the drive the number of claims registered during the period 1st July 1975 to 30th June, 1976 was 5,78,175 as against 6,93,044 during 1st July 1974 to 30th June 1975 representing a reduction in new claims by 16.5 percent.

Import of Crude from Iran

3150. SHRI RAGHUNANDAN LAL BHATIA: Will the Minister of PETROLEUM be pleased to state:

(a) the total quantity of crude India had imported from Iran last year;

(b) whether arrangements for the import of more crude from Iran this year are in the stage of finalisation; and

(c) if so, facts thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF PETROLEUM (SHRI ZIAUR RAHMAN ANSARI): (a) to (c) Apart from Iranian crude imported through private oil companies, a total of 3 4 million tonnes was imported from Iran in 1975, under contracts with the National Iranian Oil Company Approximately the same quantities are expected to be purchased from National Iranian Oil Company, this year.

National Company Limited

2151. SHRI INDRAJIT GUPTA: Will the Minister of LAW, JUSTICE AND COMPANY AFFAIRS be pleased to state:

(a) the nature and extent of fraudulent transactions detected in the affairs of the National Company Limited, owned by Shri R. N. Goenka and his associates; and

(b) the immediate causes for Government's decision to take over the management of this Company and the directors appointed for this purpose?

THE DEPUTY MINISTER IN THE MINISTRY OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI BEDABRATA BARUA): (a) The management of the company obtained loans from various financial institutions and dishonestly utilised these amounts for giving advances to various concerns which were under the influence or control of Shri R. N. Goenka for the ostensible purpose of supplying raw jute to the company. The company also paid amounts as interest free advances to certain suppliers though these parties neither required such large advances for supplying raw jute to the company, nor traded in the business of supplying raw jute but were only put up and brought into existence for diverting the funds of the company. Huge advances were utilised for the purchase of the shares of Indian Iron and Steel Company Limited by Shri Goenka through intermediaries who in turn received the money from the parties who were paid advances by the company. Sales were made at lower rates to parties connected with Goenkas The management also cheated the State Bank of India by rendering false statement of stocks with them

(b) In exercise of the powers under Section 18AA of the Industries (Development and Regulation) Act, 1951, the Government has authorised a body of persons to take over the management of the National Company Limited as the Government was satisfied that the persons in charge of the industrial undertaking viz. National Company Limited had, by diversion of funds brought about a situation which was likely to affect the production in the said industrial undertaking and it was necessary to prevent such a situation.

M/s East Anglia Plastics (India) Limited

2152 SHRI INDRAJIT GUPTA: Will the Minister of LAW, JUSTICE AND COMPANY AFFAIRS be pleased to state whether any inspection has been conducted on the basis of the allegation that the prospectus of M/s. East Anglia Plastics (India) Limited is fraudulent, in so far as the said prospectus refers to a collaboration agreement dated 19th September 1956, and suppresses the fact that Government of India had issued capital issues consent on 25th June, 1956 and import licence on 18th July, 1956?

THE DEPUTY MINISTER IN THE MINISTRY OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI BEDABRATA BARUA): An inspection of the books of accounts of the company under section 209(4) of the Companies Act, 1956 was carried out in October/November, 1974 and the allegation referred to by the Hon'ble Member was not substantiated in the inspection report.

Travel Concession to Disabled Defence Personnel

2153 SHRI INDRAJIT GUPTA: Will the Minister of RAILWAYS be pleased to state:

(a) whether Government propose to give some rail travel concessions to disabled defence personnel in view of their services to the country; and

(b) if so, the salient features thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI BUTA SINGH): (a) and (b). Rail

travel concession is already admissible to all Orthopaedically handicapped persons who suffer from the substantial loss of the functions of the lower extremities and to all blind persons including such disabled defence personnel. There is no proposal to give travel concession to defence personnel suffering from any other disability.

Railways inability to lay new Lines during Fifth Plan

2154. SHRI SOMNATH CHATTERJEE: Will the Minister of RAILWAYS be pleased to state:

(a) whether on June 19, 1976, he told the press at Bombay that the Railway would not be able to lay new railway lines during the Fifth Plan because of a lack of financial resources; and

(b) if so, the facts thereabout?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI BUTA SINGH): (a) and (b) The Railway Minister made a general statement during the course of his Press Conference regarding the shortage of resources and the difficulty in taking up the construction of more new railway lines in the 5th Plan except those required for core sector of the economy.

Conversion of Dhrangadhra-Kuda Salt Siding into Broad Gauge (Western Railway)

2155. SHRIMATI ROZA DESHPANDE: Will the Minister of RAILWAYS be pleased to state:

(a) whether any representation has been received by him and other Railway authorities, requesting the conversion of the Dhrangadhra-Kuda Salt Siding from metre gauge to broad gauge on Western Railways; if so, decision taken thereon; and

(b) whether any estimate has been made regarding the cost of conversion of this 21 KM siding into broad gauge; if so, how much will it cost?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI BUTA SINGH). (a) Yes.

(b) According to a rough appraisal the cost of conversion from MG to BG is about Rs. 72 23 lakhs and the proposal is financially not justified.

Visit of Officials of IDPL to Foreign Countries

2156 SHRI SOMCHAND SOLANKI: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether recently Managing Director, IDPL and some other Government officials visited foreign countries in search of technology for IDPL and HAL;

(b) if so, the results of their visit and foreign exchange incurred on their visit and source which incurred this expenditure; and

(c) for how many bulk drugs IDPL and HAL were able to obtain technology during the past three years?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI P. C. SETHI). (a) An Indian Drugs and Pharmaceuticals Limited (IDPL) Delegation consisting of their Managing Director and two technical experts visited foreign countries during June-July, 1976 for locating technologies for certain drugs Secretary (Chemicals and Fertilizers) who attended FAO Commission on Fertilizers meetings in Rome, was also present during Indian Drugs and Pharmaceuticals Limited Delegation's visit to some of the plants.

(b) Indian Drugs and Pharmaceuticals Limited Delegation was able to conclude agreement for technical

know-how for the manufacture of Nicotinamide, Nicotinic Acid and Methyl Ethyl Pyridine and also held negotiations for technical know-how for certain synthetic drugs and antibiotics.

Indian Drugs and Pharmaceuticals Limited spent foreign exchange to the extent of US £ 3194 on their Delegation The expenditure on Secretary's deputation was met by the Government

(c) Technologies obtained by Indian Drugs and Pharmaceuticals Limited and Hindustan Antibiotics Limited during the last three years are as follows:

Indian Drugs and Pharmaceuticals Limited (IDPL):

Agreement has been concluded in respect of Nicotinamide, Nicotinic Acid, Methyl Ethyl Pyridine Know-how for Tetracycline, Erythromycin Cephaloridine, Doxycycline, Ethambutol, 2-Amino-Thiazole, Methyl Dopa and Rifampicin has also been negotiated.

Hindustan Antibiotics Limited (HAL)

For the manufacture of Penicillin from M/s Toyo Jozo of Japan Hindustan Antibiotics Limited (HAL) have also received offers of technology for Erythromycin and Gentamycin.

Manufacture of Bulk Drug

2157. SHRI SOMCHAND SOLANKI: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) in how many cases of bulk drug manufacture condition of parting with some portion of production for non-associated formulators was imposed;

(b) production in respect of such items of drugs, quantities supplied to others and quantities self consumed during last three years;

(c) whether most of the foreign companies are producing bulk drugs for captive consumption and are resorting to excess production of both bulk drugs and drug formulations; and

(d) if so, particulars thereof?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI P. C. SETHI): (a) During 1973, 1974 and 1975, 44 industrial licences for manufacture of bulk drugs were issued with the condition of parting with some percentage of actual production to non-associated formulators

(b) The information is being collected and will be laid on the Table of the House.

(c) and (d) The Hathi Committee has gone into the question of excess production of drugs by the drug manufacturers The particulars of excess production of bulk drugs are indicated in Annexure 9, Chapter V of the Hathi Committee's Report, which was laid on the Table of the House on 8th May, 1975. The recommendations of the Committee on the subject are under active consideration of the Government.

Production of Bulk Drugs by IDPL and HAL

2158 SHRI SOMCHAND SOLANKI: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) for how many bulk drugs IDPL and HAL are yet to commence production in spite of the fact that Government have approved their proposals long back;

(b) whether non-implementation of these projects is due to non-availability of technology or some other factors; and

(c) whether IDPL and HAL indicated that indigenous technology is available for some of the drugs with them or with national laboratories and if so, why import of technology is being allowed?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI P. C. SETHI): (a) and (b). Of the 47 bulk drugs/drug intermediates for which Indian Drugs and Pharmaceuticals Ltd. have been licensed to manufacture, the Company is already in production in respect of 37. For the remaining 10 items for which the production is yet to commence, industrial licences in respect of 9 items were issued recently i.e. between 20th November, 1975 and 27th July, 1976. However, technologies for all these items are available with the Company. In respect of one item, Indian Drugs and Pharmaceuticals Ltd have not taken up its production as they find the same uneconomical and also in view of the fact that a number of companies in the small scale sector are already manufacturing this bulk drug. Hindustan Antibiotics Limited have been licensed to manufacture 7 bulk drugs (Antibiotics and Vitamin 'C') of which they are already in production in respect of 6. In respect of the 7th item viz. Neomycin Sulphate which is based on the technology developed indigenously by its Research and Development Unit of Hindustan Antibiotics Limited, the company is facing certain technological problems relating to quality. Research and Development unit of the company is examining the problems and the company expects to commence commercial production in the near future.

(c) Yes, Sir. The import of technology is allowed only when indigenous technology is not available.

Recommendations of Damle Committee regarding Supply of L.P.G.

2159 SHRI N. K. SANGHI: Will the Minister of PETROLEUM be pleased to state:

(a) whether the Damle Committee in its report submitted recently has suggested early steps to fully meet the needs of LPG in cities where it has already been introduced before seeking new pastures;

(b) whether any estimate has been made to assess the unfulfilled demand for LPG in the cities and the steps being proposed to meet the demands; and

(c) whether the Committee suggested measures to reduce the cost of LPG and if so, the facts thereof and steps taken to implement them?

THE DEPUTY MINISTER IN THE MINISTRY OF PETROLEUM (SHRI ZIAUR RAHMAN ANSARI): (a) The Damle Committee has, in its report, expressed the view that it is better to fully satisfy the needs of the cities and towns where the sale of liquefied petroleum gas has already been introduced before an entry is made into new markets.

(b) No accurate assessment of demand for liquefied petroleum gas has been possible because of other alternative fuels such as coal, soft coke, charcoal, firewood, kerosene, etc., also being used as domestic fuels. However, the present demand for new LPG connections is far in excess of the current LPG production in the refineries.

(c) Besides what is indicated in (a) above, the Committee has suggested the following measures to effect savings in the cost of supply of LPG: (i) by installing the optimum possible number of bottling plants at upcountry locations; (ii) by reduction in the customer-cylinder ratio by transporting LPG in bulk to bottling plants located near consuming centres; and

(iii) extension of sale of LPG being confined to the markets in close proximity to the existing ones.

Processing of Bombay High Crude

2160. SHRI N K SANGHI:
SHRI B V. NAIK:

Will the Minister of PETROLEUM be pleased to state

(a) whether processing of the Bombay High crude has posed some technical problems which may call for an examination of the desirability of restructuring the oil industry particularly its processing mechanism,

(b) if so, the nature of difficulties now being experienced and whether these are likely to affect production of crude from Bombay High; and

(c) the steps proposed to deal with them?

THE DEPUTY MINISTER IN THE MINISTRY OF PETROLEUM (SHRI ZIAUR RAHMAN ANSARI): (a) Bombay High Crude is at present being processed in Bharat Refineries. As Bharat Refineries was designed to process imported Middle East crudes, and Bombay High crude has several characteristics different from those the imported crudes, processing of this crude in this Refinery poses certain problems To overcome these problems the Refinery needs to make certain adjustments in operation, and also addition of certain facilities of comparatively minor nature mainly for receiving, storing and transporting High Pour Point crude, and similarly for handling High Pour Point residual products produced from this crude These modifications and changes are presently underway, and do not call for any restructuring of the oil industry.

(b) No, Sir.

(c) Does not arise.

Issue of Railway Tickets

2161. SHRI N. E. HORO: Will the Minister of RAILWAYS be pleased to state:

(a) whether railway tickets are issued subject to availability of accommodation in the train and persons unable to find accommodation can surrender their tickets at the stations; and

(b) if so, the procedure followed for refunding the amount in such cases?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI BUTA SINGH): (a) and (b). Tickets are issued subject to availability of accommodation in the trains. Persons unable to get accommodation can surrender their tickets at the station within three hours after the departure of the train and obtain full refund of fares.

O & N.G.C. Agreement with Dutch Company for laying Pipeline

2162 SHRI N. E. HORO: Will the Minister of PETROLEUM be pleased to state:

(a) whether the Oil and Natural Gas Commission has finalised negotiations with a Dutch Company for laying of the submarine pipeline for transportation of oil and gas produced from the Bombay High and Bassein offshore oil fields; and

(b) if so, the broad features of the agreement signed in this regard?

THE DEPUTY MINISTER IN THE MINISTRY OF PETROLEUM (SHRI ZIAUR RAHMAN ANSARI): (a) and (b). The ONGC has signed a contract with a Dutch Company for a pipe-lay cum derrick barge at an approximate cost of Rs. 21.74 crores. This vessel is scheduled to be delivered in the Bombay Off-shore Area towards the end of 1977. It will be

used by ONGC for laying submarine flow lines and pipelines for transportation of oil and gas.

Electrification of Railway Lines in Tamil Nadu

2163 SHRI S A. MURUGANANTHAM: Will the Minister of RAILWAYS be pleased to state:

(a) which are the railway lines in Tamil Nadu under the different stages of electrification;

(b) the progress made so far in this regard; and

(c) when are these expected to be completed?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI BUTA SINGH): (a) to (c).

Name of Electrification schemes in Tamil Nadu	Percentage progress as on 30-6-1976	Target for completion
1. Madras-Bavur as part of Madras-Gudur Electrification Scheme	27·56	1979-80
2. Madras-Trivellore	2·87	1979-80

Oil Companies in Public and Private Sectors

2164 SHRI DHAMANKAR Will the Minister of PETROLEUM be pleased to state:

(a) how many oil companies are there in the country in the public sector and in the private sector, and

(b) out of them, how many are engaged in refining and marketing and how many in marketing operations only?

THE DEPUTY MINISTER IN THE MINISTRY OF PETROLEUM (SHRI ZIAUR RAHMAN ANSARI): (a) There are 10 Oil Refining and/or Marketing Companies in the country out of which 8 are in public sector and 2 in the private sector.

(b) 5 companies are engaged both in refining and marketing, 2 in refining and one in marketing only. One refinery company, namely Bongaigaon Refinery and Petro-chemicals Limited is in the construction stage and one marketing company, namely Bitumen Marketing Corporation Limited has yet to commence commercial operations.

Menace of Chain Pulling

2165 SHRI R. N. BARMAN: Will the Minister of RAILWAYS be pleased to state:

(a) the areas where chain pulling still continues to be a menace to Railways,

(b) the names of the regions which are prone to rail dacoities; and

(c) what steps are being taken to deal with these problems?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI BUTA SINGH): (a) Sections which are generally prone to alarm chain pulling are shown in Statement 'A'.

(b) Statement B is enclosed.

(c) Steps taken to combat alarm chain pulling are as under:—

(i) Posting of plain clothed T T Es and Railway Protection Force/Government Railway Police personnel in trains;

(ii) Conducting surprise checks by anti-alarm chain pulling squads, consisting of T.T.Es. and Railway Protection Force personnel;

(iii) Surprise ambush checks at places noted for unauthorised chain pulling;

(iv) Educative campaigns in press, through posters, cinema slides etc. and by announcements on the public address system at important stations;

(v) Creating consciousness among the students about the evil of alarm chain pulling through senior railway officer, retired or in service by giving talks in educational institutions;

(vi) Blanking off of alarm chain apparatus on selected trains in vulnerable areas;

(vii) Offering of rewards to those apprehending chain pullers;

The Government Railway Police have taken the following steps to control train dacoities on the Railways:—

(i) Escorting of some of the important trains at night by armed guards by Government Railway Police;

(ii) Best Patrolling at station platforms/waiting halls;

(iii) Surveillance over criminals and known bad characters;

(iv) Prosecuting criminals for specific offences and also detaining persons suspected to be involved in commission of such crimes under MISA where sufficient grounds exist.

Statement 'A'

(a) Sections which are prone to incidence of alarm chain pulling are:

Kalyan-Pune, Kalyan-Igatpuri, Khandwa-Burhanpur, Itarsi-Amla, Amla-Parasia, Itrasi-Jabalpur, Katni-Satna, Bina-Katni, Itrasi-Bhopal, Bhopal-Bina, Jhansi - Manikpur, Jhansi-Kanpur, Mathura-Faridabad, Bombay Central-Virar, Virar-Valsad, Valsad-Surat, Ratmal-Chitorgarh, Chitorgarh-Ajmer, Rewari-Bandikui, Bandikui-Phulera, Agra Fort-Achnera; Rai-Bareilly-Pratapgarh, Lucknow-Faizabad, Allahabad-Kanpur, Tundla-Ghaziabad, Delhi-Rewari, Delhi-Ghaziabad, Sonepat-Panipat, Sirhind-Ludhiana, Moradabad-Hapur, Bareilly-Aligarh, Amritsar-Ludhiana; Kasganj-Fatehgarh, Gorakhpur-Bankata, Saharsa Branch, Barauni-Muzaffarpur, Darbhanga-Narkatiaganj, Chupra Thana; Labha-Old Malda, Old Malda-Malda, Kalliyaganj-Raiganj, Manihari-Manihari Ghat, Galgalia-Naksalbari, Hasimara-Hamiltonganj, Kamakhyaguri-Jorai, Kamakhya-Agthori; Ranaghat-Gede, Ranaghat-Bangaon, Patna-Gaya, Kiul-Gaya, Patna-Mughalsarai; Howrah-Kharagpur, Cuttack-Berhampore (Ganjam), Khurda Road-Puri Tatanagar-Rourkela, Bilaspur-Durg, Kharagpur-Adra; Madras Central-Gudur, Madras Central-Arkonam, Madras-Egmore-Chingleput, Shoncottah-Trivandrum Central, Manmadurai - Rameswaram, Tiruchchirapalli-Madurai; Vijayawada-Kazipet, Vikarabad-Purli-Baijnath, Dornakal-Bhadrachellam Road, Nizamabad-Purna, Sholapur-Wadi.

Statement 'B'

(b) Sections which are prone to incidence of Rail dacoities are:—

Jhansi-Kanpur, Banda-Kanpur, Lucknow-Kanpur, Lucknow-Shajhhanpur, Barabanki-Faizabad-Varanasi, Gajraula-Najibabad, Moradabad-Chandausi, Bareilly-Aligarh, Sonepur-Chupra, Sonepur-Muza-

ffarpur, Moradabad-Kashipur, Mailani-Sitapur, Lucknow-Sitapur, Anand Nagar-Gonda, Gorakhpur - Chhitaunnighat, Mau Junction-Shahganj, Ballia-Chupra, Varanasi-Allahabad City, Moradabad-Ramnagar, Bareilly City-Kathgodam, Pilibhit-Bhojipura, Patna-Gaya, Howrah-Burdwan, Burdwan-Asansol, Sonenagar-Garwa Road, Kharagpur-Gidni, Chakulia-Tata, Howrah-Kharagpur, Malda-Old Malda, Galgalia-Bagdogra, Bengalbari-Raniganj, Wadi Sector, Manglagiri-Vijayawada.

Income through Freight during last two years

2166. SHRI R N. BARMAN Will the Minister of RAILWAYS be pleased to state·

(a) what has been the income through freight in the different Railways, separately during the last two years, year-wise.

(b) whether Government have taken stock of goods that are being handled by the road transport and other modes of transport in these areas and if so, what percentage of the total originating traffic is being carried by each of the Railways; and

(c) what steps are being taken to attract more goods traffic to the different Railways?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI BUTA SINGH) (a) A statement is attached.

(b) No studies on these lines have been carried out.

(c) Customer-oriented services have been introduced. These include Container Service, Freight Forwarder Service, Quick Transit Service and running of Super Express Goods and Super Express Parcel trains

Statement

Railways	1974-75 (from July to June)	1975-76 (from July to June)
Central . .	144·23	178·99
Eastern . .	119·71	149·37
Northern .	137·03	164·02
North Eastern .	27·57	31·52
Northeast Frontier	30·13	36·47
Southern .	77·65	86·85
South Central .	88 06	108·92
South Eastern .	235·93	281·50
Western . .	150·58	172·08
TOTAL . .	1010·89	1209·72

Proposal to set up Lead Companies for distribution of oil Products

2167 SHRI R N BARMAN: Will the Minister of PETROLEUM be pleased to state

(a) whether Government are considering a proposal to set up some lead companies to ensure better distribution and marketing of oil products;

(b) if so the broad features of the proposal and

(c) whether this will help in economising the administrative cost which goes into the cost structure of the oil products?

THE DEPUTY MINISTER IN THE MINISTRY OF PETROLEUM (SHRI ZIAUR RAHMAN ANSARI): (a) The Damle Committee on Distribution System of Petroleum products has, in its Report, recommended the concept of designating one of the oil companies as the regional lead company for maintaining close liaison with State Governments and their agencies.

(b) Some broad features of the scheme as recommended by the Committee are as under:—

(1) Maintaining regular liaison with the representatives of the other Oil Companies with a view to ascertaining at least once every month, and more frequently whenever and wherever necessary the trend in supply and demand position for the entire State/Centrally administered area product-wise and location-wise Wherever there have been shortfalls in availability to analyse reasons for the same and to report results thereof to all concerned Wherever shortages are apprehended owing to delays in despatch sudden spurts in demand and any other similar factor the Lead Company should take timely and appropriate action to arrange for the replenishment of supplies from available alternative sources

(2) Where despite all necessary action there are contingencies of shortages arising the Lead Company should suitably inform the State Government and assist in the formulation of plans for the equitable distribution of products so that essential and priority needs continue to be met

(3) To pool information available with the field staff of all the Oil Companies in regard to trade practices and particularly in regard to malpractices, if any, so that whenever necessary the assistance of the appropriate State authorities can be obtained. In this regard, even while the administering of the Essential Commodities Act is the responsibility of the State Government, the Oil Companies should, in view of the peculiar characteristics of the Oil Industry, give all possible assistance to the State Government and their agencies in eliminating malpractices like under-weighment, adulteration, over-charging, cornering of stocks of any other form of harrassment to the customers

(4) To give suitable guidance to the sub-committees functioning at the District or the Taluka levels and also to obtain constant feed-back from these committees in regard to their local experiences

(c) The scheme recommended by the Damle Committee is not liely to have any financial impact on the distribution of products by the Oil Companies.

O&NGC Agreement with Rotterdam Dockyard Ltd. for Pipe laying Barge

2168 SHRI RAM PRAKASH Will the Minister of PETROLEUM be pleased to state

(a) whether the Oil and Natural Gas Commission has signed a contract with the Rotterdam Dockyard Limited for the purchase of pipe laying barge; and

(b) if so, the total expenditure involved?

THE DEPUTY MINISTER IN THE MINISTRY OF PETROLEUM (SHRI ZIAUR RAHMAN ANSARI) (a) Yes Sir It will be a derrick-cum-pipe laying barge

(b) Rs 21 74 crores approximately

Survey for Pipeline route from Bombay High to Coast

2169 SHRI RAM PRAKASH Will the Minister of PETROLEUM be pleased to state

(a) whether National Institute of Oceanography, Goa has completed, the survey of pipeline route from Bombay High Offshore oil field to the Bombay Coast, and

(b) if so, the salient features thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF PETROLEUM (SHRI ZIAUR RAHMAN ANSARI) (a)

and (b). The Institute is to carry out ocean survey of about 190 kms. of pipeline route from Bombay High through Bassein to a point known as land fall on Karnjia Island. Survey of about 155 kms. has so far completed and the balance about 35 kms. is expected to be surveyed by the Institute after the monsoon.

Jobs offered by O&NGC to Engineers Abroad

2170. SHRI RAM PRAKASH: Will the Minister of PETROLEUM be pleased to state:

(a) whether the Oil and Natural Gas Commission has offered jobs to Indian engineers working abroad; and

(b) if so, the number of jobs offered and the response from such engineers?

THE DEPUTY MINISTER IN THE MINISTRY OF PETROLEUM (SHRI ZIAUR RAHMAN ANSARI): (a) Yes, Sir.

(b) Out of twenty persons to whom jobs were offered, one person joined in August, 1974 but left the Commission in August, 1975. Two persons have joined recently and three persons have given their acceptance. Response from others is awaited.

Malpractices by dealers in supply of L. P. G. Cylinders

2171. SHRIRAM BHAGAT PASWAN: Will the Minister of PETROLEUM be pleased to state:

(a) whether Government have recently received complaints of malpractices by dealers in the supply of LPG cylinders to the users; and

(b) if so, the remedial measures taken?

THE DEPUTY MINISTER IN THE MINISTRY OF PETROLEUM (SHRI ZIAUR RAHMAN ANSARI): (a) and (b). There have been some complaints regarding the services rendered by Liquefied Petroleum Gas distributors. These are generally confined to torn or missing paper seal tapes, delayed supply of refills and issue of under-filled cylinders. LPG distributors have been instructed that in case a consumer objects to accept a cylinder with a defective or missing paper seal, it should be taken back and a cylinder having a seal in tact supplied to such consumer. Efforts are being made to ensure that refills are supplied within 24 hours of receipt of the demand. At the LPG filling plants, the cylinders are filled according to weight on the filling machines. The cylinders are cross-checked for accuracy of filling and sealed before being sent out to the retailers. Checks are also made at the showrooms and godowns of the dealers. The weight of empty cylinder is indicated on its body. The weight of the LPG in the cylinder can be checked up by weighing it and deducting the tare weight therefrom. The weighing of cylinders can be got done at the showroom/godown of the dealer in the customer's presence, if so desired. IOC is also trying to provide an improved seal on cylinders which will help in eradicating tampering of cylinders and other malpractices.

Supply of Crude by O&NGC to Refineries

2172. SHRI RAM BHAGAT PASWAN: Will the Minister of PETROLEUM be pleased to state:

(a) whether supplies of crude oil by the Oil and Natural Gas Commission to refineries in the country have shown upward trend during the last year; and

(b) if so, the total supplies made during 1975, refinery-wise?

THE DEPUTY MINISTER IN THE MINISTRY OF PETROLEUM (SHRI ZIAUR RAHMAN ANSARI): (a) and (b). Yes, Sir. The O&NGC supplied

5.09 million tonnes of crude oil to the refineries in 1975 as compared to 4.32 million tonnes in 1974 Refinery-wise supplies made by O&NGC during 1975 were as under :—

(i) Koyali Refinery—4 07 million tonnes

(ii) Gauhati/Barauni refineries—1 02 million tonnes.

Hotels run by Railways

2173 SHRI RAM BHAGAT PASWAN Will the Minister of RAILWAYS be pleased to state

(a) whether the Railways are running and maintaining some hotels in the country, and

(b) if so, the names of these hotels?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI BUTA SINGH) (a) Yes

(b) Railway hotels at Ranchi and Puri on South Eastern Railway

Pilferage of furnace oil from Zuari Agro Chemicals Limited

2174 SHRI P GANGA REDDY Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state

(a) whether a case of pilferage of furnace oil worth lakhs of rupees belonging to Zuari Agro Chemicals Limited, Panaji was detected in July, 1976, and

(b) if so, the facts thereof and the number of persons involved in the case?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI P C SETHI) (a) and (b) M/s Zuari Agro Chemicals have reported that pilferage of fuel oil valued at about Rs. 13.96 lakhs was detected in August, 1974 and not in July 1976 The company had promptly reported the matter to the Police and had lodged claims with the Insurance Company, The Insurance Company who has settled the claims for Rs. 10.85 lakhs are now pursuing the matter with the Police According to the information furnished by the company, two of the company's ex-employees have been arrested in this connection and released on bail The company have since tightened safeguards to prevent pilferage

Conversion of Delhi-Ahmedabad metre gauge line into broad gauge line

2175 SHRI JAGANNATH MISHRA: Will the Minister of RAILWAYS be pleased to state

(a) whether Rajasthan Planning Board has recommended the conversion of the metre gauge line on Western Railway between Delhi and Ahmedabad into broad gauge and

(b) if so, the decision of Government thereon?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI BUTA SINGH) (a) Yes

(b) The Engineering-cum Traffic surveys have been carried out for this conversion The estimated cost of this 981 kms long conversion scheme is Rs 108 crores In view of the over all stringency of funds and the huge outlay required for this project it may not be possible to take up work immediately

Cancellation of Contract with the British firm for hiring Drill ship

2176 SHRI M RAM GOPAL REDDY Will the Minister of PETROLEUM be pleased to state

(a) whether the Oil and Natural Gas Commission has cancelled the contract with British firm Sulvesan

and Company, Edinburgh regarding hiring of drill ship 'Dalmabody'; and

(b) if so, the facts thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF PETROLEUM (SHRI ZIAUR RAHMAN ANSARI): (a) Yes, Sir.

(b) It is not in the public interest to disclose the facts at this stage.

Fall in the number of Railway Passengers

2177. SHRI R. S. PANDEY: Will the Minister of RAILWAYS be pleased to state:

(a) whether there has been fall in the number of railway passengers during 1975-76 as compared to 1974-75; and

(b) if so, the figures thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI BUTA SINGH): (a) No.

(b) Does not arise.

Setting up of an Institute of Reservior Studies by O&NGC

2178. SHRI R. S. PANDEY: Will the Minister of PETROLEUM be pleased to state:

(a) whether the Oil and Natural Gas Commission has decided to set-up an Institute of Reservior Studies at Ahmedabad; and

(b) if so, the broad outlines of functions of the Institute?

THE DEPUTY MINISTER IN THE MINISTRY OF PETROLEUM (SHRI ZIAUR RAHMAN ANSARI): (a) Yes, Sir.

(b) The main objectives of this Institute would be the development of:—

(i) secondary and tertiary recovery processes;

(ii) well stimulation techniques and ways to solve other wellbore problems for improving productivity of oil and gas wells;

(iii) numerical reservoir simulations and other reservoir engineering tools for use in better exploitation of oil and gas fields;

(iv) procedures for collection and analysis of reservoir rock and fluid data for reservoir analysis;

(v) basic research required to support the specific field applications;

(vi) designing and supervision of actual field pilot tests for secondary and tertiary recovery processes developed at the Institute;

(vii) reservoir analysis studies related to specific reservoir problems of high importance to the Commission; and

(viii) capabilities to render advice to operations personnel in reservoir engineering and related activities;

Report of the Oil Pricing Committee

2179. SHRI P. GANGADEB: Will the Minister of PETROLEUM be pleased to state:

(a) whether the final report of the Oil Pricing Committee has been submitted to Government;

(b) whether any representations were received by the Oil Pricing Committee regarding adjustments and modifications in the pricing scheme which was given effect from July 15, 1975; and

(c) if so, facts thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF PETROLEUM (SHRI ZIAUR RAHMAN ANSARI): (a) No, Sir.

(b) The oil companies have submitted representations to the Oil Prices Committee, seeking certain adjustments and modifications to the existing pricing scheme brought into effect from 14th July, 1975.

(c) It is not in the public interest to divulge the contents of these representations, which are under consideration of the Oil Prices Committee. The final report of the Committee is awaited.

New Company in Public Sector

2180. SHRI P. GANGADEB Will the Minister of RAILWAYS be pleased to state·

(a) whether a new company has been set up in public sector under the Ministry of Railways for undertaking major railway construction projects; and

(b) if so, the broad features thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI BUTA SINGH) (a) Yes

(b) This public sector company will bid for construction of railway projects, particularly in foreign countries where heavy investment has been programmed in the Railway sector in the next few years

Implementation of Agreement reached before ending Barauni-Garhara Railway Strike

2181. SHRI BHOGENDRA JHA: Will the Minister of RAILWAYS be pleased to state:

(a) whether there had been an agreement signed by the then Minister of Labour and President of Samastipur Division of Majdoor Sabha stipulating certain points resulting in the end of the 33 day old strike and total resumption of duty by railway employees of Barauni-Garhara area on 29th April, 1971;

(b) whether in accordance with those agreed points, break-in-service, removal from service etc., were withdrawn but withdrawal of cases from courts and granting of project allowance according to the Board Award on Farakka area remain to be fulfilled; and

(c) if so, when are these to be completed?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI BUTA SINGH)· (a) to (c). No written agreement was signed by the then Minister of Labour in regard to the action to be taken against railway employees who participated in the illegal strike n Barauni-Garhara area in March-April, 1971 However, on 25-4-1971, the Labour Minister made an appeal drawing the attention of the striking employees to the assurance given by the then Minister of Railways on 7 4-1971 that "the Ministry ot Railways has never subjected and will not subject the striking staff to any victimisation, and that the normal course of law will follow in cases of railway employees who may have been apprehended for breach of law, intimidation and violence".

Break in service caused by participation in the illegal strike in Barauni-Garhara area was condoned and all suspension orders were revoked. There was no case of dismissal or removal from service in connection with that strike.

There has been no commitment that all prosecution cases will be withdrawn, but on the other hand, as pointed out earlier, the Minister for Labour had clearly stated that "the normal course of law will follow in

cases of railway employees who may have been apprehended for breach of law, intimidation and violence".

The demand for project allowance was considered in the light of the award of Board of Arbitration and it was found that none of the railway employees in the area was entitled to the allowance.

Proposal to develop Darbhanga Junction

2182. SHRI BHOGENDRA JHA: Will the Minister of RAILWAYS be pleased to state.

(a) whether there is a proposal for developing Darbhanga junction under Samastipur Division of the North Eastern Railway as more convenient centre for the passengers and traders of the adjoining districts;

(b) if so, salient features thereof;

(c) whether there is any proposal to shift some Railway offices from Darbhanga; and

(d) if so, the salient features thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI BUTA SINGH) (a) and (b) A new station building costing about Rs 18 lakhs has been constructed at Darbhanga Junction and opened for passenger traffic from 26-2-76 There is no other proposal for developing Darbhanga Junction at present.

(c) No

(d) Does not arise

भारत रिफाइनरीज लिमिटेड के अधिकारियों को मिली सुविधाओं का समाप्त किया जाना

2183. श्री मोहन स्वरूप : क्या पेट्रोलियम मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या भारत रिफाइनरीज लिमिटेड के 4000/- रुपये से कम वेतन पाने वाले अधिकारियों को मिली अनेक सुविधाओं को समाप्त कर दिया गया है; और

(ख) यदि हां, तो इसके क्या कारण हैं और इस बारे में तथ्य क्या हैं ?

पेट्रोलियम मंत्रालय में उपमंत्री (श्री जियाउर्रहमान अन्सारी) : (क) और (ख) भारत शोधनशाला के अधिकारियों के भत्तों में कमी करने के लिये भारत शोधनशाला लिस्ट के समस्त प्रबन्धक स्टाफ के कुछ भत्तों में कमी/संशोधन किया गया है। प्रति माह 4000/- रुपये से कम वेतन पाने वाले प्रबन्धक स्टाफ के निम्नलिखित भत्ते वापस ले लिये गए हैं :—

(1) सफाई कर्मचारी/नौकरों के वेतन

(2) स्टाफ क्वार्टरों के लिये सफाई सामग्री।

(3) नि.शुल्क ईंधन और बिजली

अवकाश के दौरान में जाने वाली यात्रा भत्ता की मात्रा में कटौती की गई और मकान किराया में वृद्धि की गई। गैर प्रबन्धक स्टाफ अर्थात् श्रमिक और लिपिक कर्मचारियों के भत्तों में कोई परिवर्तन नहीं किया गया।

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12 hrs.

PAPERS LAID ON THE TABLE

NOTIFICATIONS UNDER TAMIL NADU COOPERATIVE SOCIETIES ACT AND A STATEMENT, NOTIFICATION UNDER TAMIL NADU WEIGHTS AND MEASURES (ENFORCEMENT) ACT AND STATEMENTS

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL SUPPLIES AND CO-OPERATION (SHRI A. C. GEORGE): I beg to lay on the the Table:

(1) A copy each of the following Notifications under sub-section (4)

[Shri A. C. George]

of section 119 of the Tamil Nadu Cooperative Societies Act, 1961 read with clause (c) (iv) of the Proclamation dated the 31st January, 1976 issued by the President in relation to the State of Tamil Nadu:—

(i) G.O.Ms. 340 published in Tamil Nadu Government Gazette dated the 2nd June, 1976 making certain amendment to the Tamil Nadu Co-operative Societies Rules, 1963.

(ii) G.O.Ms. 342 published in Tamil Nadu Government Gazette dated the 2nd June, 1976 making certain amendment to the Tamil Nadu Co-operative Societies Rules, 1963.

(2) A statement (Hindi and English versions) explaining reasons for not laying the Hindi versions of the above Notifications.

[*Placed in Library. See* No. LT-11320/76].

(3) A copy of Notification No. G.O.Ms 316 published in Tamil Nadu Government Gazette dated the 12th May, 1976 making certain amendment to the Tamil Nadu Weights and Measures (Enforcement) Rules, 1967, under section 43 of the Tamil Nadu Weights and Measures (Enforcement) Act, 1958 read with clause (c) (iv) of the Proclamation dated the 31st January, 1976 issued by the President in relation to the State of Tamil Nadu

(4) A statement (Hindi and English versions) explaining the reasons for not laying the Hindi version of the above Notification.

(5) A statement (Hindi and English versions) showing reasons for delay in laying the above Notification.

[*Placed in Library. See* No. LT-11321/76].

NOTIFICATIONS UNDER TAMIL NADU AGRICULTURAL PRODUCE MARKETS ACT AND A STATEMENT

THE DEPUTY MINISTER IN THE MINISTRY OF AGRICULTURE AND IRRIGATION (SHRI PRABHUDAS PATEL): Sir, on behalf of Shri Shah Nawaz Khan I beg to lay on the Table:—

(1) A copy each of the following Notifications under sub-section (4) of section 29 of the Tamil Nadu Agricultural Produce Markets Act, 1959 read with clause (c) (iv) of the Proclamation dated the 31st January, 1976 issued by the President in relation to the State of Tamil Nadu. Nadu:—

(i) G.O.Ms. 435 published in Tamil Nadu Government Gazette dated the 7th April, 1976.

(ii) G.O.Ms. 632 published in Tamil Nadu Government Gazette dated the 28th April, 1976.

(iii) G.O.Ms. 1215 published in Tamil Nadu Government Gazette dated the 7th July, 1976 making certain amendment to the Tamil Nadu Agricultural Produce Markets Rules, 1962.

(2) A statement (Hindi and English versions) explaining the reasons for not laying the Hindi versions of the above Notifications.

[*Placed in Library. See* No. LT-11322/76].

NOTIFICATIONS UNDER SUPREME COURT JUDGES (CONDITIONS OF SERVICE) ACT, REPORT ON THE GENERAL ELECTIONS TO THE LEGISTATIVE ASSEMBLIES OF MANIPUR, NAGALIND, ETC., NOTIFICATIONS UNDER TAMIL NADU COURT FEES AND SUITS VALUATION ACT, AND A STATEMENT, NOTIFICATIONS UNDER HINDU MARRIAGE ACT, AND STATEMENTS, NOTIFICATIONS UNDER BOMBAY PUBLIC TRUSTS ACT AND TAMIL NADU HINDU REGULATIONS AND CHARITABLE ENDOWMENTS ACT AND STATEMENTS

THE MINISTER OF STATE IN THE MINISTRY OF LAW, JUSTICE AND

COMPANY AFFAIRS (DR. V. A. SEYID MUHAMMAD): I beg to lay on the Table:—

(1) A copy of the Supreme Court Judges (Amendment) Rules, 1976 (Hindi and English versions) published in Notification No. G.S.R. 634 in Gazette of India dated the 8th May, 1976 under sub-section (3) of section 24 of the Supreme Court Judges (Conditions of Service) Act, 1958. [*Placed in Library. See* No. LT-11323/76].

(2) A copy of the Report (Hindi version) on the General Elections to the Legislative Assemblies of Manipur, Nagaland, Orissa, Pondicherry and Uttar Pradesh in 1974, Gujarat in 1975 and the Presidential and Vice-Presidential Elections, 1974—Narrative. [*Placed in Library. See* No. LT-11324/76].

(3) (i) A copy of the Tamil Nadu Court Fees (Fixation of Remuneration for Licenced Stamp Vendors) Rules, 1976 (Hindi and English versions) published in Notification No. S.R.O. C-6(a)/76 in Tamil Nadu Government Gazette dated the 17th March, 1976, under section 81 of the Tamil Nadu Court Fees and Suits Valuation Act, 1955 read with clause (c) (iv) of the Proclamation dated the 31st January, 1976 issued by the President in relation to the State of Tamil Nadu.

(ii) A statement (Hindi and English versions) showing reasons for delay in laying the above Notification.

[*Placed in Library See* No. LT-11325/76].

(4) A copy each of the following Notifications under sub-section (3) of section 8 of the Hindu Marriage Act, 1955 read with clause (c) (iv) of the Proclamation dated the 31st January, 1976 issued by the President in relation to the State of Tamil Nadu:—

(i) G.O.Ms. 367 published in Tamil Nadu Government Gazette dated the 7th January, 1976 making certain amendment to the Tamil Nadu Hindu Marriage (Registration) Rules, 1967

(ii) G.O Ms 934 published in Tamil Nadu Government Gazette dated the 19th May, 1976 making certain amendments, to the Tamil Nadu Hindu Marriage (Registration) Rules 1967.

(5) Two statements (Hindi and English versions) showing reasons for delay in laying in above Notifications.

(6) Two statements (Hindi and English versions) explaining the reasons for not laying Hindi versions of the above Notifications.

[*Placed in Library. See* No. LT-11326/76].

(7) (i) A copy of Notification No. GH/K/40/BPT/RULES/23294/E published in Gujarat Government Gazette dated the 30th July, 1976 under sub-section (4) of section 84 of the Bombay Public Trusts Act, 2950 read with clause (c) (iii) of the Proclamation dated the 12th March, 1976 issued by the President in relation to the State of Gujarat.

(ii) A statement (Hindi and English versions) explaining the reasons for not laying the Hindi version of the above Notification.

[*Placed in Library. See* No. LT-11327/76].

(8) A copy each of the following Notifications under sub-section (3) of section 116 of the Tamil Nadu Hindu Religious and Charitable Endowments Act, 1959 read with clause (c) (iv) of the Proclamation dated the 31st January, 1976 issued

[Dr. I. A. Seyid Muhammad]

by the President in relation to the State of Tamil Nadu:—

(i) G.O.Ms. 784 published in Tamil Nadu Government Gazette dated the 7th July, 1976 making certain amendments to the Religious Institutions (Custody, Investments and Lending or Borrowing of Moneys) Rules, 1963

(ii) G.O.Ms. 785 published in Tamil Nadu Government Gazette date the 23rd June, 1976 making certain amendments to the Grant of Travelling Allowance to Trustees of Religious Institutions Rules, 1961.

(iii) GO.Ms. 886 (Hindi and English versions) published in Tamil Nadu Government Gazette dated the 7th July, 1976.

(9) Two statements (Hindi and English versions) explaining the reasons for not laying Hindi versions of the Notifications mentioned at (i) and (ii) above.

[*Placed in Library. See* No. LT-11328/76].

NOTIFICATIONS UNDER CENTRAL EXCISE RULES, CENTRAL EXCISES AND SALT ACT, AGRICULTURAL REFINANCE AND DEVELOPMENT CORPORATION ACT, TAMIL NADU CHIT FUNDS ACT, AND A STATEMENT

THE MINISTER OF STATE IN CHARGE OF THE DEPARTMENT OF REVENUE AND BANKING (SHRI PRANAB KUMAR MUKERJEE): I beg to lay on the Table:

(1) A copy each of the following Notifications (Hindi and English versions) issued under the Central Excise Rules, 1944:—

(i) Notification Nos. 236/76 to 239/76 [G.S.R. 771(E) to 774(E)] published in Gazette of India dated the 30th August, 1976 together with an explanatory memorandum.

(ii) Notifications Nos. 241/76 [G.S.R. 776(E)] and 242/76 [G.S.R. 777E] published in Gazette of India dated the 30th August, 1976 together with an explanatory memorandum. [*Placed in Library. See* No LT-11329/76].

(2) A copy of the Central Excise (Twenty-first Amendment) Rules, 1976, (Hindi and English versions) published in Notification No. G.S.R. 1211 in Gazettte of India dated the 14th August, 1976, under section 38 of the Central Excises and Salt Act, 1944. [*Placed in Library. See* No. LT-11330/76].

(3) A copy of Notification No. G.S.R. 1180 (Hindi and English versions) published in Gazette of India dated the 7th August, 1976 making certain amendment to the Agricultural Refinance Corporation General Regulations, 1963 under sub-section (5) of section 46 of the Agricultural Refinance and Development Corporation Act, 1963. [*Placed in Library. See* No. LT-11331/76].

(4) (i) A copy of Notification No. G.O.Ms. 1567 (Hindi and English versions) published in Tamil Nadu Government Gazette dated the 21st January, 1976 under sub-section (4) of section 63 of the Tamil Nadu Chit Funds Act, 1961 read with clause (c)(iv) of the Proclamation dated the 31st January, 1976 issued by the President in reation to the State of Tamil Nadu.

(ii) A statement (Hindi and English versions) showing reasons for delay in laying the above Notification. [*Placed in Library. See* No. LT-11332/76].

NOTIFICATIONS UNDER INSECTICIDES ACT, GUDALUR JANMAM ESTATES ABOLITION AND CONVERSION INTO RYOTWARI) ACT

SHRI PRABHUDAS PATEL: On behalf of Shri Annasahib P. Shinde, I beg to lay on the Table:—

(1) A copy of the Insecticides (Amendment) Rules, 1976 (Hindi and English versions) published in Notification No. GSR 474(E) in Gazette of India dated the 24th July, 1976 under sub-section (3) of section 36 of the Insecticides Act, 1968. [*Placed in Library. See* No. LT-11333/76].

(2) A copy of Notification No. G.O.Ms 845 published in Tamil Nadu Government Gazette dated the 14th July, 1976 making certain amendments to the Gudalur Janmam Estates (Abolition and Conversion into Ryotwari) Rules, 1974, under sub-section (5) of section 60 of the Gudalur Janmam Estates (Abolition and Conversion into Ryotwari) Act, 1969 read with clause (c) (iv) of the Proclamation dated the 31st January, 1976 issued by the President in relation to the state of Tamil Nadu. [*Placed in Library. See* No. LT-11334/76].

ANNUAL ACCOUNTS OF AND AUDIT REPORT ON COCHIN PORT TRUST FOR 1972-73 AND OF VISAKHAPATNAM PORT TRUST FOR 1974-75

THE DEPUTY MINISTER IN THE MINISTRY OF SHIPPING AND TRANSPORT (SHRI DALBIR SINGH): Sir, on behalf of Shri I. M. Trivedi, I beg to lay on the Table a copy each of the following papers (Hindi and English versions) under sub-section (2) of section 103 of the Major Port Trusts Act, 1963:—

(1) Annual Accounts of the Cochin Port Trust for the year 1972-73 and the Audit Report thereon.

(2) Annual Accounts of the Visakhapatnam Port Trust for the year 1974-75 and the Audit Report thereon. [*Placed in Library. See* No. LT-11335/76].

TARIFF COMMISSION'S REPORT ON THE PRICE STRUCTURE OF SYNTHETIC RUBBER, GOVERNMENT RESOLUTION AND A STATEMENT

THE DEPUTY MINISTER IN THE DEPARTMENT OF PARLIAMENTARY AFFAIRS (SHRI B. SHANKARANAND): Sir, on behalf of Shri Ziaur Rahman Ansari, I beg to lay on the Table a copy each of the following papers* (Hindi versions):—

(i) Report (1975) of the Tariff Commission on the price structure of Synthetic Rubber.

(ii) Government Resolution No. N-18011/2/75-PC. I dated the 18th March, 1976 notifying Government's decisions on the above Report.

(iii) A statement showing reasons as to why the documents mentioned above could not be laid on the Table within the prescribed period.

[*Placed in Library See* No. LT-11336/76].

ANNUAL REPORT OF INDIAN INSTITUTE OF TECHNOLOGY, BOMBAY FOR 1975-76 AND A STATEMENT, ANNUAL REPORT OF NATIONAL INSTITUTE FOR TRAINING IN INDSTRIAL ENGG., BOMBAY FOR 1975-76

THE DEPUTY MINISTER IN THE MINISTRY OF EDUCATION AND SOCIAL WELFARE AND IN THE DEPARTMENT OF CULTURE (SHRI ARVIND NETAM): I beg to lay on the Table:

(1) (i) A copy of the Annual Report of the Indian Institute of Technology, Bombay, for the year 1975-76.

*English versions were laid on the Table on the 30th March, 1976.

[Shri Arvind Netam]

(ii) A statement (Hindi and English versions) explaining the reasons for not laying simultaneously the Hindi version of the above Report.

(2) A copy of the Annual Report (Hindi and English versions) of the National Institute for Training in Industrial Engineering, Bombay, for the year 1975-76. [*Placed in Library. See* No. LT-11337/76].

STATEMENTS SHOWING ACTION TAKEN BY GOVT. ON VARIOUS ASSURANCES, ETC. GIVEN BY MINISTERS DURING VARIOUS SESSIONS

SHRI B. SHANKARANAND: I beg to lay on the Table the following statements showing the action taken by the Government on various assurances, promises and undertakings given by the Ministers during the various sessions of Fifth Lok Sabha:—

(i) Statement No. XXV—Tenth Session, 1974

(i) Statement No. XXV—Twelth Session, 1974.

(iii) Statement No. XXI—Thirteenth Session, 1975.

(iv) Statement No. V—Fifteenth teenth Session, 1976.

(v) Statement No. IV—Sixteenth Session, 1976

(vi) Statement No. I—Seventeenth Session, 1976.

[*Placed in Library. See* No. LT-11338/76].

NOTIFICATIONS UNDER MOTOR VEHICLES ACT, STATEMENTS AND REVIEW ON AND ANNUAL REPORT OF CENTRAL ROAD TRANSPORT CORPORATION LTD. CALCUTTA FOR 1974-75 AND A STATEMENT

SHRI DALBIR SINGH: I beg to lay on the Table—

(1) A copy each of the following Notifications (Hindi and English versions) under sub-section (3) of section 133 of the Motor Vehicles Act, 1939 read with clause (c) (iv) of the Proclamation dated the 31st January, 1976 issued by the President in relation to the State of Tamil Nadu:—

(i) G.O.Ms 2315 published in Tamil Nadu Government Gazette dated the 18th December, 1975 making certain amendment to the Tamil Nadu Vehicles Rules, 1940.

(iii) G.O.Ms. 88 published in Tamil Nadu Government Gazette dated the 18th February 1976 making certain amendments to the Tamil Nadu Motor Vehicles Rules, 1940.

(iii) G.O. Ms. 603 published in Tamil Nadu Government Gazette dated the 31st March, 1976 making certain amendment to the Tamil Nadu Motor Vehicles Rules, 1940.

(iv) G. O. Ms 1677 published in Tamil Nadu Government Gazette dated the 22nd October, 1975 making certain amendment to the Tamil Nadu Motor Vehicles Rules, 1940.

(v) G.O. Ms. 57, published in Tamil Nadu Government Gazette dated the 10th January, 1976 making certain amendments to the Tamil Nadu Motor Vehicles Rules, 1940.

(2) Two statements (Hindi and English versions) showing reasons for delay in laying the above Notifications. [*Placed in Library. See* No. LT-11339/76.]

(3) A copy each of the following papers (Hindi and English versions) under sub-section (1) of section 619A of the Companies Act, 1956:—

(i) Review by the Government on the working of the Central Road Transport Corporation Limited, Calcutta, for the year 1974-75.

(ii) Annual Report of the Central Road Transport Corporation Limited, Calcutta, for the year 1974-75 along with the Audited Accounts and the comments of the Comptroller and Auditor General thereon.

(4) A statement (Hindi and English versions) showing reasons for delay in laying the above documents. [*Placed in Library. See* No. LT-11340/76.]

12.03 hrs.

MESSAGES FROM RAJYA SABHA

SECRETARY-GENERAL: Sir, I have to report the following messages received from the Secretary-General of Rajya Sabha:—

(i) "In accordance with the provisions of rule 127 of the Rules of Procedure and Conduct of Business in the Rajya Sabha, I am directed to inform the Lok Sabha that the Rajya Sabha, at its sitting held on the 30th August, 1976 agreed without any amendment to the Laxmirattan and Atherton West Cotton Mills (Taking Over of Management) Bill, 1976, which was passed by the Lok Sabha at its sitting held on the 25th August, 1976."

(ii) "In accordance with the provisions of rule 127 of the Rules of Procedure and Conduct of Business in the Rajya Sabha, I am directed to inform the Lok Sabha that the Rajya Sabha, at its sitting held on the 30th August, 1976, agreed without any amendment to the Metal Corporation (Nationalisation and Miscellaneous Provisions) Bill, 1976, which was passed by the Lok Sabha at its sitting held on the 25th August 1976.

(iii) "In accordance with the provisions of rule 111 of the Rules of Procedure and Conduct of Business in the Rajya Sabha, I am directed to enclose a copy of the Code of Criminal Procedure (Amendment) Bill, 1976, which has been passed by the Rajya Sabha at its sitting held on the 26th August, 1976."

(iv) "In accordance with the provisions of rule 127 of the Rules of Procedure and Conduct of Business in the Rajya Sabha, I am directed to inform the Lok Sabha that the Rajya Sabha, at its sitting held on the 30th August, 1976, agreed without any amendment to the Labour Provident Fund Laws (Amendment) Bill, 1976, which was passed by the Lok Sabha at its sitting held on the 26th August, 1976."

(v) "In accordance with the provisions of sub-rule (6) of rule 186 of the Rules of Procedure and Conduct of Business in the Rajya Sabha, I am directed to return herewith the Dhoties (Additional Excise Duty) Repeal Bill, 1976, which was passed by the Lok Sabha at its sitting held on the 25th August, 1976, and transmitted to the Rajya Sabha for its recommendations and to state that this House has no recommendations to make to the Lok Sabha in regard to the said Bill."

CODE OF CRIMINAL PROCEDURE (AMENDMENT) BILL

AS PASSED BY RAJYA SABHA

SECRETARY-GENERAL: Sir, I lay on the Table of the House, the Code of Criminal Procedure (Amendment) Bill, 1976, as passed by Rajya Sabha.

12.05 hrs.

COMMITTEE ON THE WELFARE OF SCHEDULED CASTES AND SCHEDULED TRIBES

REPORTS OF STUDY TOURS ETC.

SHRI NIHAR LASKAR (Karimganj): Sir, I bg to lay on the Table

[Shri Nihar Laskar]

the following Reports of the Committee on the Welfare of Scheduled Castes and Scheduled Tribes:

(1) Report of Study Tour of Study Group I on its visit to Bangalore, Mysore and Madurai during June-July, 1976.

(2) Report of Study Tour of Study Group II on its visit to Bombay, Ahmedabad and Jaipur during July, 1976.

(3) Report of Study Tour of Study Group III on its visit to Madras, Pondicherry, Trivandrum and Kanyakumari during July, 1976.

(4) Report of the Committee on its visit to certain DDA Resettlement Colonies and a village in the Union territory of Delhi in June, 1976.

PUBLIC ACCOUNTS COMMITTEE

TWO HUNDRED AND TWENTY-SEVENTH AND TWO HUNDRED AND THIRTIETH REPORTS

SHRI H. N. MUKERJEE (Calcutta-North East): I beg to present the following Reports of the Public Accounts Committee:—

(i) Two Hundred and Twenty-seventh Report on Excesses Over Voted Grants and Charged Appropriations disclosed in the Appropriation Accounts for the year 1974-75 and action taken by Government on the recommendations of the Committee contained in their Hundred and eightieth Report on Excess Over Voted Grants and Charged Appropriations for the year 1973-74

(ii) Two Hundred and thirtieth Report on Paragraph 36 of the Report of the Comptroller and Auditor General of India for the year 1973-74—Union Government (Civil)—relating to Expansion of Mormugao Port (Ministry of Shipping and Transport).

COMMITTEE OF PRIVILEGES

NINETEENTH AND TWENTIETH REPORTS

SHRI N K. P SALVE (Betul): I beg to present the Nineteenth and Twentieth Reports of the Committee of Privileges

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COMMITTEE ON ABSENCE OF MEMBERS FROM THE SITTINGS OF THE HOUSE

(i) THIRTIETH REPORT

SHRI VEKARIA (Junagadh): I beg to present the Thirtieth Report of the Committee on Absence of Members from the Sittings of the House.

(ii) MINUTES

SHRI VEKARIA: I beg to lay on the Table Minutes of the sittings of the Committee on Absence of Members from the Sittings of the House held on the 30th August, 1976.

12.08 hrs.

SALARIES AND ALLOWANCES OF MEMBERS OF PARLIAMENT (AMENDMENT) BILL*

THE MINISTER OF WORKS AND HOUSING AND PARLIAMENTARY AFFAIRS (SHRI K. RAGHU RAMAIAH): I beg to move for leave to introduce a Bill further to amend the Salaries and Allowances of Members of Parliament Act, 1954.

MR SPEAKER: Motion moved:

"That leave be granted to introduce a Bill further to amend the Salaries and Allowances of Members of Parliament Act, 1954."

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*Published in Gazette of India Extraordinary Part II, section 2, dated

SHRI SAMAR MUKHERJEE (Howrah): Sir, I stand to oppose the introduction of this Bill. This proposal was mooted more than two years ago and it was discussed in the Joint Committee several times. We have consistently opposed this. Why have we done so? I know that members who are eligible to get pension will be glad when this provision is made. But we must remember that we represent millions and millions of people and more than 50 per cent of the population are now below the poverty level.

Whenever we think of an assurance or a guarantee of our own future.

SHRI R. S. PANDEY (Rajnandgaon): On a point of order. The hon. Member said that whenever the question of pension came up before the Joint Committee, his party opposed it. The Joint Committee passed it long ago. Later on it was revived. When it was revived, I was the Chairman, and I can tell you that the decision was unanimous without any opposition by any party.

MR. SPEAKER: There is no point of order.

SHRI SAMAR MUKHERJEE: The Joint Committee held a meeting at a time when our Member was to speak on a particular motion here. He requested the Committee to change the time, but taking advantage of his absence, the Committee passed the motion. I want that it should be recorded that taking advantage of his absence, it has been declared to be unanimous. It is not so.

SHRI SAROJ MUKHERJEE (Katwa): The proceedings are here. It is recorded that the CPM was not in favour of pension.

SHRI SAMAR MUKHERJEE: That does not mean that we have no sympathy for those ex-MPs, who have no source of income after retirement. But we are the representatives of the people, and more than 50 per cent of the people are now living under the poverty line. We are bringing this Bill at a time when several lakhs of workers have been thrown out of their jobs, when we are getting daily reports of starvation deaths of workers from those factories which are now closed or laid off. So, does not our conscience prick? This is the point we raise

We thought that some conscience was roused because privately some M.Ps. tried to argue with us as to why we were objecting.

SHRI VASANT SATHE (Akola): On these grounds you should not take any salary at all.

SHRI SAMAR MUKHERJEE: Let me explain our position.

We were told that because we were objecting, the Bill was not coming. We tried to argue with them It is not a personal question. It is a question of the image and stature of M.Ps. By adopting this Bill, will you heighten the stature of the M.Ps. before the toiling masses, those who are starving, those who are dying of starvation, or will it reduce your stature? That is the question which is involved.

When you are taking away the bonus of the workers, when you are impounding their wage increases, you are bringing this Bill here for pension to the ex-M.Ps.

SHRI VASANT SATHE: Let all those who do not agree, take the pension and distribute it to those below the poverty line.

SHRI SAMAR MUKHERJEE: Unfortunately, these Members are taking it as a personal question. I am not talking in terms of a personal question. That is why we have opposed it. Because of that I thought the Congress Members were considering it, were waiting, but I see that it has been brought now despite our opposi-

[Shri Samar Mukherjee]

tion. So, I think there might be some compulsion from below. In order to solve a crisis inside your party, you are now bringing this So, do whatever you like, but we register our protest, we register our objection. That is why I am opposed to the introduction of the Bill.

SHRI K RAGHU RAMAIAH: If the hon. Member had confined himself to constitutional issues, I would not have said anything, but he has gone beyond what he should have said at this stage However, it is my duty to reply

In the first place, I must tell him, if he is so unaware of it, that this is not the only country where pension is provided to Members In fact, we are too late on the scene. It is a normal feature of most of the democracies to give pension to ex-MPs, and I was looking forward to cite the names of the countries while I move the Bill for consideration But I may say, generally, we are not the first but the one of last in this matter There is nothing abnormal about it It has become a cheap fashion all over the world, whenever MPs are being provided something, that one goes on attacking and comparing them with this sector or that sector of the community MPs. are a class by themselves They have to be respectable and they have to discharge their duty in no less an efficient manner than any other sector of the community whom we all reprasent and they have to be reasonably looked after.

My hon friend has said that this should not be done and that this is something very undesirable. May I say, if he is really sincere about it, he and his party which he represents could by all means refuse the pension. That will be the standard by which they will be judged. (*Interruptions*).

SHRI SAMAR MUKHERJEE: Whenever the Salaries and Allowances of the Members of Parliament were raised, we objected. That is on principle We represent the poorest sections of the people. Whether I take or not take, that does not change our basic stand that you are giving priority to your own selves than to the common people, the starving millions of people, whom we represent.

MR. SPEAKER: The question is:

"That leave be granted to introduce a Bill further to amend the Salaries and Allowances of Members of Parliament Act, 1954."

The motion was adopted

SHRI K. RAGHU RAMAIAH: introduced the Bill

12.12 hrs.

KERALA LEGISLATIVE ASSEMBLY (EXTENSION OF DURATION) SECOND AMENDMENT BILL—*Contd.*

MR SPEAKER· The House will now take up further consideration of the Kerala Legislative Assembly (Extension of Duration) Second Amendment Bill. The balance of time is only 15 minutes.

THE MINISTER OF WORKS AND HOUSING AND PARLIAMENTARY AFFAIRS (SHRI K. RAGHU RAMAIAH): The time may be extended. I think there are some more speakers on this.

MR. SPEAKER: All right, I will extend the time. We can spend half an hour more on this. So, 45 minutes are there. We should finish it before lunch If the hon. Members are brief, we can accommodate more Members who want to speak on this. Shri B. R Shukla.

†Introduced with the recommendation of the President.

SHRI B. R. SHUKLA (Bahraich): Mr. Speaker, Sir, from the speech of the hon. Member of the Marxist group, it appears that there is an apparent welcome change in the shift of attitude of his party towards elections and parliamentary institutions. Up till now, they were believing in the cult of violence, in the cult of direct action and in the cult of gherao. This was what they practised when they formed the ULF Government in West Bengal and also in Kerala. But they have been completely routed at the polls. Therefore, they realise that there is no way out even for their survival except to follow the path of democracy. We welcome this change in their attitude.

They are still under a mistaken belief that the people of this country and, particularly, the people of Kerala are with them and that, if they go to the polls, they will be returned in a majority. My submission is that they are wholly disillusioned if they entertain this belief.

The question of the extension of the duration of the Kerala Assembly should be viewed in a broader national perspective. The situation which was brought about by the direct action and the behaviour of the irresponsible elements in political life in the country has not wholly disappeared. They still persist. Although Government is relaxing gradually the conditions of Emergency still there is no marked change in the attitude of these forces. They have simply gone underground, they still want to adopt such activities as will result in toppling down the Parliamentary institution.

After all, the life of the present Lok Sabha was extended by one year in January 1976 The elections to Lok Sabha are to take place by the end of March, 1977. The term of the present Kerala Assembly is to expire in the month of October, and if the term is not extended, it means that elections should take place after one or two months, after the expiry of the term of the present Assembly; there wold be elections to the Kerala Assembly before elections to the Lok Sabha. This means that the State will have to go to polls twice in an interval of two or three months. This point has not been considered by the opposition.

Secondly, the gains of Emergency are still to be consolidated. The forces which were responsible for the imposition of the Emergency still continue in some form or the other in Kerala and in other parts of the country Also this House has not yet finally decided as to when elections to Lok Sabha will take place.

Another factor is this. If elections to the Kerala Assembly are to take place within a few months from today, then it means that some of the leaders who, by their objectionable activities, brought about a situation in which there was no option but to impose internal Emergency, have to be released, not necessarily because the law may require their release, but it would be in fairness to the Opposition that they should have the opportunity to participate in the elections. Otherwise, when they are defeated at the polls—I am sure they will be defeated—they will raise a hue and cry saying that their leaders were in jail, they were not allowed to say all irresponsible things on the platform, they were not given a fair opportunity to participate in the elections, the elections were manipulated, they were not fair and that is why they were defeated and all that Therefore, my submission is this In order to satisfy their aspirations and in order to remove their misgivings, it is necessary that, first, things should be normalised, so that there may be a calm and quiet atmosphere for holding elections, not only to the Kerala Assembly but also to the Lok Sabha.

So far as economic gains are concerned, it has been conceded by Mr. Chandrappan, who is a member of

[Shri B. R. Shukla]

the CPI, that there is rapid economic transformation not only in Kerala but throughout the length and breadth of this country. A better awareness of discipline has come in the ranks of the student population, in the ranks of the industrial workers, in government services. Everybody is welcoming the continuance of the Emergency and the various laws which have been passed for the benefit of the masses. But we do not share this view that, because we have been able to achieve something very tangible, something very important, something very essential in the interest of the country, the elections are being avoided. Elections are being postponed not because of any fear of defeat at the polls but in the larger interests of the country and in the larger interests of the nation Therefore, my friend should not make a grievance if the election to the Kerala Assembly is extended for a few months more. They should welcome it They have better opportunities by calmly pondering over the follies which they have been committing in this country Now it is good that they are gradually and quite apparently returning to the path of sanity, to the path of non-violence and to the path of democratic behaviour and we will certainly welcome a change that a responsible opposition wedded to the concept of democracy should be firmly established in this country.

With these words I support this Amendment Bill

SHRI N SREEKANTAN NAIR (Quilon): Yesterday, the Speaker said that I was one of the speakers from the Opposition. Technically it is true. I am a Member of the Opposition in this House But, in Kerala, I am the leader of the RSP which is a constituent of the United Front Therefore I am one who is actively involved in this question.

I do admit that in Kerala this government has the unique distinction of running the term of five years and also an additional extra-constitutional term of one year. I also admit that the achievements of the government are not small. About 25 lakhs of tenants who were originally tilling the soil have now become proprietors of the farms, big and small. About three lakhs of hutment dwellers have received ten cents of land around their huts. About one lakh of destitute people have received free gift of houses from the one lakh scheme. The surplus land has almost been completely distributed where it is not in dispute. Therefore, the achievements are great. Yet, I feel that to extend the life of the legislature will not be in the best interests of the people of Kerala and the political parties who are now in the coalition. They have already run out six years. The programmes chalked out, the schemes they had, have almost run not and now there is a void before them. And, if you extend the term for some time more, the good name they have earned, I fear, may be lost. Therefore, in the interests of the parties who are in the Government I would plead with the government and the hon. Minister that the legislature be prorogued I do not want immediate elections It cannot be, but I want elections to be held as early as possible.

Secondly, by proroguing the legislature and bringing in Presidential rule, a strengthening of the administrative machinery can be achieved. It is an undoubted fact that with 14 Ministers belonging to six various political parties the co-ordination and cohesion of the Government is not as good as it should be I can understand that Ministers from different political parties do not coordinate their activities. But Ministers of the same Party do not co-ordinate their activities and, therefore, as a matter of fact, the government of Kerala is 14 small governments or Ministries occasionally being co-ordinated by the Cabinet meeting This has to be borne in mind. I do not want so

many parties in the coalition to continue indefinitely to run at each other in the administration of the State.

The normal term of five years as prescribed by the democratic constitutions is just and fair for any legislature to show its mettle. When it is extended further and further, the natural result will be that there will be cliques and groups around Ministers, whether they are officials or non-officials. When there are cliques and groups, naturally, free, fair and just administration will be hampered. Six years we had Therefore, I would urge upon the Minister that if he cannot prorogue the Assembly, to at least suspend it, bring in President's rule, let there be a small spell of rigid administration under the President so that the bureaucrats can be liberated! Now they are compelled to dance to the tunes of this Minister or that Minister so much so the bureaucratic control, even if it is bad, the bureaucratic functioning, even if it is not completely democratic, has been seriously tampered with.

I urge upon the Government to bring in President's rule with or without prorogation of the legislature. If it is not possible or if they don't want to do it, at least let them conduct the elections as early as possible. Let there not be another extension like this. It may be that the Congress party, being the largest party can bring in new alignments and form its own Government under its own aegis. Instead of Achutha Menon Ministry, it can be some other Ministry, under some other Congress leader. What I feel is that it is better to have a short spell of President's rule. I strongly plead that the legislature may be prorogued or suspended and President's rule imposed in the State.

SHRI G. VISWANATHAN (Wandiwash) This is the third extension for the Kerala Legislative Assembly which the House is perhaps going to give. No doubt in principle we are not for extending the term of the assemblies. But the condition being as it is, the country is now under emergency. And so far as the Kerala is concerned, I think, most of us would feel that the Achutha Menon Ministry has done a very good job. First of all, it is the only Ministry which has completed its full term without being disturbed. There are some ministries which live shorter lives than even one year, 10 months, 6 months, and so on. In the political history of Kerala this has been the only stable ministry so far. As far as I know this is probably among the few Ministries against which there are not many charges.

So far as the Chief Minister is concerned, we must be proud of him, that he is a model Chief Minister as far as our country is concerned. He is the only person who really talks less and works more. With a coalition of six parties in the Cabinet he is able to bring them all together with all the pressures inside the party and outside the party. Of course there may be difficulties and deficiencies in any coalition government. But we must give it its credit which must go solely to Mr. Achutha Menon and his colleagues in his Ministry.

Now, the question is this: If we do not extend the life of the Assembly, what will happen? There will be President's rule. I don't agree with Mr. Sreekantan Nair. He pleaded for President's rule. After having experienced President's rule for 6 or 7 months in our State I can say that at any time a popular government administration is better than administration under President's rule. Since you say that the time is not ripe for election, let this Assembly be continued for another 6 months. The other Kerala coalition parties say that they are ready for elections but that only the Centre is not ready for holding elections, if that is the case they can hold elections to the local bodies which are pending for some 14 or 15 years. I think this demand is legitimate. It will be easier for the State Government to know the mood of the people also, what they feel

[Shri G. Viswanathan]

and the Centre is not going to intervene, I suppose. The Law Minister may not be against holding elections under emergency. I do not know this. He must be knowing the legal position. I think he will reply whether we can hold the elections for the local bodies under an emergency. If it is possible, then the elections can be held for the local bodies.

As far as the Assembly is concerned, if elections are not going to be held, I am definitely not for the President's rule in Kerala. They have experienced many times. Let this Government and the Assembly continue for a few more months—five or six months more—even if it is a third time. As I told you already there must be some Government responsive to the people's demands because when a Government is there or when the Administration is there under the President's rule, I think definitely there is a handicap to the people because their demands or their grievances cannot be redressed as it happens in a popular Government whatever may be the party ruling in a particular State.

Hence, I support this Bill.

SHRI C. H. MOHAMED KOYA (Manjeri): Mr. Speaker, Sir, I rise to support this Bill. There is no other way but to extend the life of the Kerala Assembly since the Government is not ready for the elections

But, I hope that this will be the last extension to the extended Assembly and Government will not come to the House again asking for another extension because all the political parties there in the Kerala State are now ready for the election. Who is not ready then? I cannot understand this. Anyhow I do not support Shri Sreekantan Nair's demand for Presidents rule in Kerala because he has the experience of President's rule in the past; it will be a bureaucratic rule and the people will be put to innumerable sufferings. Now, at least we have got a popular Government there even though its life is extended twice or thrice. May I therefore hope that Government will not come up again before the House asking for a further extension? I think there would be no justification for that because the Minister is saying that there is no difficulty in holding the election even during emergency; he has told that even during emergency, Parliament elections can be held.

If that is so and when both the Opposition and the ruling parties in Kerala are ready for the election, I do not find any justification for a further extension to the life of the Assembly. Anyhow, there is no other go; nobody is ready and Government has not made preparations for the election. By the time the life of the Assembly is extended by Parliament, there will be a vacuum and hence, I support this Bill.

THE MINISTER OF STATE IN THE MINISTRY OF LAW, JUSTICE AND COMPANY AFFAIRS (DR. V. A. SEYID MUHAMMAD): Mr. Speaker, Sir, I am thankful to all the hon. Members who have participated in the debate.

With your permission, Sir, I shall try to answer some of the points raised by different hon. Members before the House. Shri Samar Mukherjee said, as a complaint or as an allegation or as an attack against this Bill that this time also we have come before the House saying that the same conditions exist.

Factually it is so. And, if factually, the same conditions exist, just to please Shri Mukherjee, we cannot find fictitious facts and place before him. It may be that he is a person who likes variety. By twisting the facts and making a wrong statement here, we do not propose to entertain him or satisfy his desire for this. It has become an occupational disease with the Marxists Party to make allegations that Government is beating his partymen. But, the

fact is this that when they got the rare opportunity in Kerala, West Bengal an for a short time again in Kerala, it is well-known how their Ministry had to go because of the unleashing of the lawlessness with the help of the police and their partymen throughout the States.

SHRI SAMAR MUKHERJEE (Howrah): You do not know about West Bengal. That is the propaganda of the bourgeois press. We know better than you.

DR. V. A. SEYID MUHAMMAD: Now when they are out of power and nobody wants them, they are being isolated from the people, they come up with the old slogan of beating up their partymen. Figures can be quoted. It has been quoted by the Home Minister in Kerala. (*Interruptions*) Sir, I seek your protection from the interruption

SHRI SAMAR MUKHERJEE: I have given you all the facts How can he call it a slogan?

MR. SPEAKER. You will please hear him.

DR. V. A. SEYID MUHAMMAD: Details have been given by the Home Minister of Kerala as to how his partymen, even though they are not in power, go round and large, large numbers of beating up and assaults are taking place everyday in the countryside and occasionally in the towns also. These are the people who accuse us of beating them up. It is only an occupational disease. The remedy lies in having some sort of occupational therapy or consulting a psychiatrist.

Mr. Chandrappan and Mr. Koya wanted to get an assurance from the Government that Government will not come next time asking for an extension. Sir, the extension is sought on justifiable facts. Certainly we cannot anticipate as to whether those facts will continue and, as such, say that we will not come for extension. That is a sort of pre-emptive action which nobody can take. What I can assure is if the conditions change and new conditions become available at the time when the six months' period expires, certainly we will not come and ask for extension but to give a blanket assurance that in no circumstances the Government will come and ask for extension is too much to be expected from any Government.

Mr. Chandrappen also said that it is an opportune time for holding elections and why does not the Government and the Congress Party have elections at this time. He also said that if the Congress goes in for elections, it will return with an overwhelming majority. I agree with him.

The Prime Minister has also made it clear as to why we are not going in for elections. The Prime Minister has also said that if we go in for elections we will certainly come back with great majority but it is not merely a question of getting elected and getting a majority. There are innumerable factors which have to be taken into consideration. In the governance of a country it is not merely a question of getting elected It is a political decision. So, the mere fact that we will be elected and sent back in majority is no reason that we should immediately go in for elections.

Mr. Sreekantan Nair spoke about the necessity of introducing President's rule in Kerala He put forward his point of view with his obvious sincerity and patent good intentions. But he knows—I am sure—sufficiently well as to when the President's rule can be introduced in any State. It is not at the will of party or government or some parties that President's rule can be imposed. The condition for imposing President's rule is that there must be breakdown of constitutional machinery and the President on the report of the Governor becomes convinced that the constitutional government cannot be carried on in the

[Dr. V. A. Seyid Muhammad]

State in the circumstances that exist. That being the position, howsoever much respect I may have towards Mr. Sreekantan Nair's statement and sincerity, simply because certain point of view is raised and certain people want—including Mr. Sreekantan Nair—it cannot be done because there are not the necessary conditions

Some time ago—you know it much better than me—the Government was existing by a narow majority of two Now there is a difference of 31—81 and 49 or so When it has become so well established and when for the first time for five years, there is a very stable, very effective and very useful Government operating, and continuing to operate, under what ground can we say that there is a breakdown of the constitutional machinery? It is an essential condition precedent for the introduction of President's rule that there must be a breakdown of the constitutional machinery and the existence of circumstances which make it impossible to carry on the normal constitutional government We are far from it In these circumstances, in spite of the good intentions and sincerity of Shri Sreekantan Nair, it cannot just be done

Shri C H Mohamed Koya wanted an assurance that election would be held when the term of six months expires. I have already replied to that point

I submit we have brought the Bill because circumstances justify bringing such a Bill giving extension for various reasons which I need not repeat Even though very good suggestions were made in all earnestness and sincerity, in the circumstances explained, I am not in a position to accept them I thank all the members who have participated and for giving us very valuable suggestions which have very fundamental significance. Thanking them, I commend the motion for acceptance.

MR. SPEAKER: The question is:

"That the Bill to provide for the further extension of the duration of the present Legislative Assembly of the State of Kerala, be taken into consideration".

The motion was adopted

MR SPEAKER We take up clause by clause consideration There are no amendments The question is

"That Clause 2, Clause 1, the Enacting Formula and the Title stand part of the Bill".

The motion was adopted

Clause 2, clause 1, the Enacting Formula and the Title were added to the Bill.

DR V A SEYID MUHAMMAD I beg to move

"That the Bill be passed"

MR SPEAKER The question is:

"That the Bill be passed"

The motion was adopted

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12 43 hrs.

CENTRAL SALES TAX (AMENDMENT) BILL

MR SPEAKER We will now take up the next item, the Central Sales Tax (Amendment) Bill Shri Pranab Kumar Mukherjee

SHRI N SREEKANTAN NAIR (Quilon) On a point of order This Bill is against art 286 of the Constitution Article 286(1) says·

"No law of a State shall impose, or authorise the imposition of a tax on the sale or purchase of goods where such sale or purchase takes place—(a) outside the State; or (b) in the course of the import of the goods into or export of the goods out of, the territory of India".

Clause (2) of article 286 says that Parliament may be law formulate principles for determining when a sale or purchase of goods takes place. In other words Parliament is empowered only to lay down norm which we should comply with. Article 286 is meant for that purpose. This legislation is intended to deny to the state government the right to formulate its law regarding sales tax: It is not laying down norms; it is in fact negating them. That is not the purpose of that article and the purpose of the Constitution is defeated by bringing in this bill, further all the state governments are seriously affected by the restriction intended to be imposed and this would also go against the twenty-point programme of the Prime Minister because the prices will shoot up when multipoint sales tax is realised in place of a single point tax. The Supreme Court has also given a ruling that the state governments are empowered to levy tax on goods sold within the State before they are sent outside.

THE MINISTER OF STATE IN-CHARGE OF THE DEPARTMENT OF REVENUE AND BANKING (SHRI PRANAB KUMAR MUKHERJEE): This is only an amending Bill to the Central Sales Tax Act which has already been passed by this Parliament. Secondly this relates to sales tax relating to export items on which Parliament has exclusive competence and the state governments have no authority. We are just trying to extend those provisions which have already got the approval of Parliament. This is not a new piece of legislation.

SHRI N. SREEKANTAN NAIR: You are denying the states; the constitution says that you can lay down certain norms; but you are denying the states their revenues.

SHRI PRANAB KUMAR MUKHERJEE: We are laying down a principle in respect of exports and Parliament has this authority; it is laid down in article 286 (2).

MR. SPEAKER: So, let us proceed with the Bill in view of this. Besides we are not determining the constitutionality or otherwise of the provisions.

SHRI N. SREEKANTAN NAIR: I am also not an expert on constitution but I know that this Bill harms the interests of states.

MR. SPEAKER: We shall take up this Bill now. Two hours have been allotted. The hon. Minister.

THE MINISTER OF STATE IN CHARGE OF THE DEPARTMENT OF REVENUE AND BANKING (SHRI PRANAB KUMAR MUKHERJEE): I beg to move:

> "That the Bill further to amend the Central Sales Tax Act, 1956, be taken into consideration."

Sir, under Section 5(1) of the Central Sales Tax Act, 1956, a sale or purchase of goods is regarded as a sale in the course of export of those goods out of the territory of India only if such sale or purchase has either occasioned such export or is effected by a transfer of documents of title to the goods after the goods have crossed the customs frontiers of India. In the case of Md. Serajuddin Vs. State of Orissa, the Supreme Court held in April, 1975 that under this section, the sale by an Indian exporter from India to the foreign importer alone qualifies as a sale in the course of export.

According to the Export Control Orders, exports of certain goods can be made only by specified agencies such as the State Trading Corporation. In other cases also manufacturers, particularly, in the small scale and medium sectors, have to depend upon export houses for exporting the goods because of the special expertise

[Shri Pranab Kumar Mukherjee]

needed for carrying the export trade. A sale of goods made to the canalising agency like the State Trading Corporation or to an export house for the purposes of export of those goods, in compliance with an existing contract or order, is inextricably connected with the export of the goods. In view of the restricted interpretation placed by the Supreme Court in the aforesaid judgment, sales of the above nature to such canalising agency or the export house do not qualify as sales in the course of export and are thus liable to sales tax. This would result in a corresponding increase in the price of the goods and would make our exports uncompetitive in the fiercely competitive international market. It is, therefore, proposed to amend the Act retrospectively from 1st April, 1976 to provide that the last sale or purchase of any goods preceding the sale or purchase occasioning export of those goods out of the territory of India shall also be deemed to be in the course of such export if such sale or purchase took place after, and was for the purpose of complying with, the agreement or order for or in relation to such export.

Sir, sub-section (2) of Section 9 of the Act empowers the sales tax authorities of the States to assess, re-assess, collect and enforce payment of Central sales tax. The said authorities under the exercise of all the powers which they have under these laws. State sales tax laws including, *inter alia*, the powers to impose penalties, for the purposes of the Central Sales Tax Act. In the case of Khemka and Co. (Agencies) Private Ltd. Vs. State of Maharashtra, the Supreme Court in its majority judgement ruled that the provisions of the State sales tax laws as to penalties do not apply for the purposes of the Central sales tax. In view of this judgement, the State Governments are faced with the problem of having to refund the amounts collected by them in the past by way of penalties. The judgment has also resulted in a vacuum being created in regard to levy of penalties for breaches under the Central Sales Tax Act. It is, therefore, proposed to amend Section 9 of the Central Sales Tax Act to provide expressly that the provisions relating to offences and penalties under the general sales tax law of each State shall, with necessary modifications, apply in relation to the assessment re-assessment, collection and the enforcement of payment of tax under the Central Sales Tax Act. The penalties which have been levied in the past for the purposes of Central Sales Tax Act, on the basis of the provisions of the general sales tax laws of the State are also sought to be validated.

The opportunity of amending the Act in the above respects is also proposed to be utlised for making the following other amendments:—

(i) Crude oil and certain cereals and pulses are proposed to be included in the list of goods declared to be of special importance in inter-state trade or commerce. The result of such inclusion in the list of declared goods would be that the rate of sales tax on these commodities cannot exceed 4 per cent. It is also porposed to be made clear by amending Section 15 of the Act that paddy and rice wil not be treated as separate items for the purposes of levy of sales tax and that there would be no double taxation once at the paddy stage and again at the rice stage. It is also proposed to be clarified that the pulses included in the list of declared goods, whether whole or separated, and whether with or without husk, shall be treated as a single commodity for the purposes of levy of sales tax.

(ii) Two new definitions of the expressions "business" and "crossing the customs frontiers of India" are sought to be inserted in the Act. The definition of "business" is to make clear that dealer carrying on a business would be liable to tax under the Act whether he carries on such business with or without profit motive. "Crossing the customs frontiers of India" is sought to be defined as crossing the limits of the area of a customs station in which imported goods or export goods are ordinarily kept before clearance by customs authorities. In the absence of a definition, "customs frontiers" in Section 5 has been interpreted to be co-terminus with the extent of the territorial waters and this gives rise to practical difficulties to determine the question whether at the time of sale or purchase, the goods have entered or crossed the territorial waters.

(iii) The existing definition of the term 'dealer' is proposed to be substituted by a new comprehensive definition.

(iv) Section 7 of the Act is sought to be amended to enable the amount of security to be demanded, being computed in the case of a dealer who applies for voluntary registration under the Act. The amount of security in such a case shall not exceed the sum equal to the tax which could have been levied on sales to such dealer in the course of inter-state trade or commerce, if such dealer had not been registered under the Act. The security cannot be demanded unless the dealer has been given an opportunity of being heard.

(v) It is proposed to plug a lacuna in subsection (1) of Section 9 of the Act to provide for collection of tax in respect of subsequent sale, not exempt from tax under the Act, which is made by an unregistered dealer, in the State from which such subsequent sale is effected.

Sir, the amendments proposed in the Bill with respect to the definition of 'sale in the course of export' is with a view to give fillip to our export trade. The amendments with regard to crude oil and certain cereals and pulses are for the purposes of restricting the incidence of sales tax on these items. The other amendments are with a view to tightening up the administration of the law.

Sir, I trust the House will unanimously accept the Bill.

Sir, I move.

MR SPEAKER: Motion moved:

"That the Bill further to amend the Central Sales Tax Act, 1956, be taken into consideration."

SHRI C H. MOHAMED KOYA (Manjeri): Sir, I oppose this Bill, moved by Shri Pranab Kumar Mukherjee. The Amendment Bill, among other things, tries to amend section 5 of the Act, which deals with the exemption of sales and purchases of goods taking place in the course of export and import. If this amendment is passed into law, purchases of goods by exporting agencies will be exempt from sales tax.

The State Government of Kerala have written to the Government of India as late as on 26-7-76, stating that this Bill will affect their finances very heavily. The proposed amendment will have very serious impact on the State's finances.

[Shri C. H. Mohamed Koya]

Each State has its own scheme in the levy of sales tax. The pattern adopted by a large State, which has advanced industrial and manufacturing activities, like West Bengal and Maharashtra, is different from that of a small State which has no such advantages. In that background, the scheme adopted by the Kerala State, in the State Sales Tax law, is largely a single point levy to enable it to tax goods effectively at an identifiable point and with an identifiable dealer, with lesser chances of evasion. In this scheme, many small dealers are left out of the group. The peculiar problems the State Government will have to face do not seem to have been fully appreciated while drafting the amendment, or even when the Kerala State Minister pointed it out in person to the Minister of State for Finance. Most of the exports from Kerala are plantation crops like pepper, ginger, cardamom, cashew and marine products, which have no competition in the export market. At present these items are liable to sales tax at the last point of purchase in the State, that is, purchase by exports. They are the best identifiable persons and the levy will be effective. The State Government is getting an annual revenue of Rs 23 crores from the above levy. This levy, based on past experience, has been in existence for the last twenty years, and it did not have any adverse impact on the export trade, mainly because we are having a near monopoly, and the demand is not responsive to slight variations in prices.

The anxiety of the State Government about the adverse effects of the proposed amendment had been brought to the notice of the Government of India, as stated by me earlier, as back as 26/7/76 in the D.O. letter of the State Finance Minister. Then the State Minister took the trouble of coming to Delhi and explaining the position to the Central Minister in person.

The proposed amendment will have very serious impact on the State's finances. To fund the current year's plan, we are raising additional resources of the order of Rs. 20 crores, and we have also agreed to improve the financial position by another Rs. 10 crores by way of economy in expenditure and arrear collections. Even then there will be a sizable uncovered gap. For financing the Plan in the coming two years, the State Government stand committed to raise nearly Rs. 47 crores over and above this year's commitment. The further erosion of our revenue by the proposed amendment by Rs. 23 crores will make it impossible to finance the Plan, which even at the present level does not meet our reasonable requirements.

Therefore, I would request the Minister to accept the amendment moved by some hon. Members from Kerala, belonging to all parties, or at least accept the amendment of Shri Stephen, which is an enabling provision

MR. SPEAKER. Shri Stephen.

SHRI C M. STEPHEN (Muvattupuzha): rose

MR SPEAKER. He is in possession of the House He can speak after lunch.

13 hrs.

The Lok Sabha adjourned for Lunch till Fourteen of the Clock.

The Lok Sabha re-assembled after Lunch at Fourteen of the Clock.

[MR. DEPUTY-SPEAKER *in the Chair*]

CENTRAL SALES TAX (AMENDMENT) BILL—*Contd.*

MR. DEPUTY-SPEAKER: Shri Stephen.

श्री राम हेडाऊ (रामटेक) : उपाध्यक्ष महोदय, हमें ऐसा पता चला है कि अनुसूचित जातियों और अनुसूचित जनजातियों का

विशेषक दे आज भी नहीं ला रहे हैं। अनुसूचित जातियों के बारे में यहां कोई बोलनेवाला नहीं है, इसीलिये उन को पीछे रखा जा रहा है....

MR. DEPUTY-SPEAKER: Order please. I have not called him. I have called Shri Stephen. You cannot take me by surprise in this way. I have no notice of it, I know nothing about it. There is other business before the House. If you have anything to say, you first convey it to me in writing. Shri Stephen.

श्री राम हेंडाऊ : उपाध्यक्ष महोदय, कुछ एम०पी०लोग जगह जगह बैठ कर इसके बारे में बात करते है, लेकिन हम से बात नहीं की जा रही है। मैं चाहता हूं कि यह बिल अवश्य लाया जाय और पास किया जाय..

MR. DEPUTY-SPEAKER: Order, order. I am not able to follow anything. Nothing of this will go on record. If there is anything, you kindly convey it to me in writing, not in this manner. I do not understand what you are saying.

SHRI RAM HEDAOO: **

SHRI C. M. STEPHEN (Muvattupuzha): Mr. Deputy-Speaker, while I rise to speak on this Bill, I must confess a feeling of dismay and considerable mental disturbance when I think of the consequences after the Bill is matured into law. In my view, it runs against the basic principles which should govern the Government of a federal structure. It runs against the basic concept that, when Parliament defines a particular thing, the definition must be truthfully done. The consequences of this will be that the economy of the different States in the country will be shattered on the one hand, and a large circle of the so-called exporters besides the public sector exporting houses will have considerable benefit at the expense of the exchequer of the different States. These are the three implications of this Bill as far as I could see it.

Now I am concerned mostly with Clause 3 of this Bill which seeks to define what exactly is a transaction in the course of export trade. This definition is sought to be incorporated into the Bill in exercise of the authority vested in Parliament under article 286(2). Article 286 prohibits imposition of any tax on sale in the course of export and import, and sub-article (2) gives the power to Parliament to formulate the principles for determining when a sale or purchase of goods takes place in any of the ways mentioned in the said sub-clause.

This has been a controversial point for quite a long time ever since the Constitution was enacted as to what exactly would constitute a sale in the course of export or import, and there have been umpteen rulings, quite a large number, and given in quick succession by the Supreme Court of India defining what exactly is a sale in the course of export or import. I should say that this is one of the items on which the view of the Supreme Court has been consistent right through, and this definition given by the Supreme Court was accepted by Parliament when Parliament enacted the Central Sales Tax Act. The definition was given by Parliament by section 5 of the Central Sales Tax Act. Sub-section (1) and sub-section (2) in the original Act are now being retained, besides what exactly should be deemed to be a sale in export and import. Now, a third sub-section is sought to be incorporated. I can understand if you say that section 5 is deleted and another principle is being brought in. Sub-section (1) and sub-section (2) of section 5 are being retained. And this

**Not recorded.

[Shri C. M. Stephen]

section says that a sale or purchase of goods shall be deemed to take place in the course of export of goods out of the territory of India only if the sale or purchase either occasions such export or is effected by transfer of documents of title to the goods, etc. etc. That is being retained. What is in the course of a sale across the borders of a State, what exactly should be deemed to be an inter-State sale, is pointed out in section 3, and section 3 is being retained. Section 5 is also retained. These sections are in consonance with the dictums spelt out by the Supreme Court of India—they are not at all taken away. Now, a third sub-clause says that, even if your sale does not occasion the movement of goods across the borders of India, across the customs borders of India, even if your sale does not occasion a sale in the course of export and import factually, your sale, although it is to a person in this country, can still be deemed to be a sale in the course of export and import. It is true that this Parliament has got the power to define, but my humble plea is that the definition that this Parliament gives, must be consistent with commonsense, must be consistent with the legal dictum formally accepted, must be consistent with what I would call, legal proof and legal honesty. A deeming provision should not be such as to commit an act of intellectual dishonesty. A deeming provision should not be a defining principle should not be such as would run counter against what really everybody knows to be the fact.

If I sell my goods to you or to Mr. Pranab Mukherjee, knowing well that by the sale of the goods to Mr. Pranab Mukherjee, the goods do not go across the frontiers of the State, no deeming provision can convert my sale into a sale across the border....

MR. DEPUTY-SPEAKER: That is only in execution of an existing agreement.

SHRI C. M. STEPHEN: That I am coming to.

But what I am submitting is: retaining both, retaining on the one hand and saying that only when this happens, it will be this—that is what is stated: "a sale or purchase in the course of export out of the territory of India only when the sale or purchase has occasioned such exports." That section is retained. You say, Your sale can be deemed to be a sale across the border in the course of export, only if that sale occasions the transfer of goods. Only that. That is retained. After retaining that, you say that in spite of that, a sale which has taken place prior to that shall also be deemed to be a sale in furtherance of the export sale. That is what I say is a conjecture which baffles all understanding

MR. DEPUTY-SPEAKER: I think they have qualified that.

SHRI C M. STEPHEN: That I am coming to. The point is whether it occasions or not. That is the only thing I want to say about

Now, there are two principles spelt out As far as inter-State sale is concerned, the same principle must govern inter-State trade I, in Kerala, sell my goods to somebody in conformity with an agreement to sell it across to somebody else Would that also come under the same principle? That does not come under the same principle If this is the principle that a sale which not only occasions the transfer of goods or movement of goods but a sale which is in conformity or in fulfilment of an agreement for export can also be deemed to be a sale in the course of exports, then, applying the same principle we will have to concede that a sale within the State in fulfilment of an agreement or a sale occasioning the movement of goods across the State can also be covered by the same principle. There cannot be two standards. That is why I say, you keep one standard here and

you take another standard somewhereelse. One is in the course of exports and imports between two States and another is in the course of exports and imports between India and countries outside. If a sale happens to be in the course of exports you apply one principle. Then by applying the same principle, sale across the State must also be a sale which is in fulfilment of an agreement and putting the goods across the States must also be in the course of the inter-State transaction That is not being done. The other one is kept. For this the original is kept. Then the third one comes saying that the new principle is important. This is highly baffling. That is what I want to submit.

I have got my own doubt about the constitutionality of this definition It is true that the Parliament has got the power to define a principle, but the principle must be a principle. What is the principle defined? You have applied two standards. That is not a principle. I have got my own doubts against the constitutional validity of it. It may be that the Government does not care whether it is legal or not. But certainly it revolts against my sense of propriety as a legislator That is all I have to say about it.

Here it says that it is not only the final sale but the sale preceding the final sale will also be a sale for execution of an export contract. I, residing in Kerala, sell to somebody in Cochin in Kerala, something, on the basis of a document which is produced, saying, this is in fulfilment of an export contract. I sell it without realising sales-tax. That man shows the contract to hundreds of other people. He represents to them that this is in fulfilment of export contract. This person sells it to somebody else. He sells it across the border of Kerala. He escapes from the sales-tax from Kerala and sells it to somebody in Madras, in the course of inter-State sales. What happens here? You cannot collect the tax here, because, here is a sale which is claimed to be for a sale which will directly occasion export. Two parties are not the only ones involved in it. A third party comes in; an intermediary comes in. I hang on to a particular agreement which he has got. I believe it. I sell it without collecting the tax. He shows the same thing to different people. He sends it round the country to different States. He escapes sales-tax He escapes sales-tax in the other State, saying this is finally for export. Every State is thus deprived of the tax. The dishonest man will thrive, the treasury will suffer, nobody will benefit by this. You may consider the disastrous consequences There is no security for anybody I can't demand the tax. I can't collect the tax. This is the position here.

As far as my State is concerned, tax revenue under sales-tax is Rs. 118 crores. Out of that, goods which would be affected would come to Rs. 23 crores. A poor State is thus robbed of this amount of Rs. 23 crores. They will not be able to collect the tax. So much of its revenue is denuded. My friend will say, we will make some adjustment and give the money to you. It may be that you may give in the next five-year plan but what about the future? After some days somebody else will come and this will become a part of Indian statute and this will become a part of history; everything would be forgotten!

MR. DEPUTY-SPEAKER: You are unduly pessimistic.

SHRI C. M. STEPHEN: This is the position we are coming to. This is where I say that the federal principle is violently violated: this is an area where I have got the jurisdiction—that area is sales-tax. Under Item 92A of List No. I, you get the jurisdiction to collect your Central Sales-tax. There, you are converting the sale which is factually a sale within-

[Shri C. M. Stephen]

the State by a deeming definition into an inter-State transaction and you are taking away my right to collect that tax and to give it in my own State. That is merely because sub-rule (2) gives you the power to make a definition and using that, we are being denuded for the whole thing that is taking place.

Finally, one more point and I have done. What is the justification? They have specifically stated that, as far as the S.T.C., the M.M.T.C. and some export houses are concerned, they are not able to compete in the international market because of this additional charge, the levy. That is the plea given. Therefore, to save out the S.T.C. or rather to facilitate the business transactions by the S.T.C. and by the chosen export houses, you are bringing in the entire circle of exporters within the protecting provision. Is it necessary for you to see the atom bomb to kill an ant? Is it necessary to build a China wall to protect a squirrel? Is it necessary for you to protect your S.T.C., to protect your selected export houses? You could have made some other provision about it. Immediately you will now come out and say 'I cannot make an exemption because my authority is only to spell out the principle, under the Constitution'. My good Heaven, are we not amending the Constitution when ever it is necessary? If sub-article 2 of Art. 198 would stand in the way and if we can amend so many Articles, why not we amend that Articles also and take the power and devise it in such a manner that the economy of the country and of the States may not suffer. Therefore, for Heaven's sake, don't throw sub-Article 2 at us and say that 'we are powerless'. But, the fact remains that the finances of the different States will crash; they will become desperate. That is the only source of their revenue and it is on that source that you are laying your hands and you are depriving the States of their inherent revenue in order to protect these two sources. The effect of it will be that the protection will not be for these public sectors but the protection will be for these undertakings in the trade. Protection will be for the black-money makers in this country. Protection will be for these exporters. With this cover, what will happen is a complete anarchy in the matter of sales-tax collection. Any dealer will say he is protected. I have collected it. Another dealer will say that he does not believe in this agreement and that he will collect and finally he will say that he will not pay because this has been proved to be the export trade. And so he will not pay whatever he has collected. Finally that boot will go to the export with a sale-tax charged on it. Your purpose will be even defeated. Therefore, I say that this deeming provision is constitutionally irregular, factually incorrect and it is violative of the basic concept of certain legal dictum, it is a misuse of an appellate jurisdiction placed on this Parliament and it will be disastrous as far as State's autonomy is concerned. That is why we should develop this mutual faith in our federal economy. It is for this reason that I started my speech by saying that I was completely and mentally disturbed. I would still plead with the hon. Minister to consider the amendments; I have given to him and under the enabling provision there is sufficient flexibility whereby the States could be protected; the S.T.C. also could be protected; and so do not be firm about this position. I request you to consider this.

With these words, I conclude my speech.

SHRI DINESH JOARDER (Malda): Mr. Deputy-Speaker, Sir, while sharing the views expressed by my friend Mr. Stephen as regards the revenue, it is going to be affected so far as all States are concerned. It is not only going to affect the revenue of Kerala but it will affect most of the States in our country.

I would like to draw the attention of the hon. Minister to one thing.

Earlier, in the year 1972 there was another amendment to the Central Sales Tax Law and at that time mention was made about the arrears of the Central Sales Tax that have already been assessed but not collected. Sir, though black-money to the tune of Rs. 1500 crores has been unearthed by the Central Government yet, I think, the tax evasion has not been stopped and the arrears have not been collected still. Huge unrecovered arrears are still lying on the Central Sales Tax account. By amending this Act, certain exemptions to certain categories of people are being given and they are those big business houses who are in the habit of evading taxes and huge arrears have still not been recovered from them.

Sir, in respect of inter-State sales the evasion of Central Sales Tax is there. The big business houses like Bata and Colgate have their manufacturing and purchasing centres in different parts of the country. In the case of Bata Shoe Company though there was strike in their various factories for about three to four months yet their overall sales did not hamper. The reason behind this is that Bata Shoe Company makes purchases from small manufacturing units at Kanpur, Agra, Calcutta, Madras, etc. These small private manufacturing units put the Bata company label on the shoes manufactured by them. These small manufacturers have to surrender their goods to the big monopoly houses. Likewise is the case with Colgate. This company makes the purchases of paste from small manufacturers and get affixed the label of their own company. Now, they are evading the Central Sales tax by saying that these are their manufactured goods. They actually purchase from the small manufacturers. They pay them a very meagre amount. These small units are not able to maintain themselves and they are selling their products to the big monopoly houses. Thereby, the Government is being cheated and the small manufacturers are also being cheated. In this process of inter-State sales, they purchase it from Agra and take it to Calcutta and they simply put the label saying 'it is our own manufacture'. The label is of the Bata Shoe Company. The small manufacturer puts the label also for them 'Bata Shoe Company', 'Colgate Tooth Paste' and so on and send them to the headquarters of these big monopoly houses. In this and various other ways, there is evasion of tax There should be certain machinery to take care of this and see that the evasion is stopped and arrears are also recovered.

As a result of the inclusion of these cereals, pulses and other agricultural produce in clauses 7 and 8 of the Bill, there is an indirect encouragement to impose Central Sales tax and State sales tax on certain essential commodities and food products, where at present in many cases they have not imposed or do not impose and collect any tax, Central sales tax or State sales tax.

You are going to exempt export goods from tax. Today the Central taxes and State taxes on certain items are also responsible for the high prices of those items. On account of the excise duty, customs duty and other taxes, sales tax and other taxes, on account of the enhancement of the rates of these taxes, prices are going up. There has been a rise of 33 per cent or 35 per cent on prices of cloth and other garments. Similarly, Central and State taxes are responsible for the rise in price of other essential commodities. You are imposing taxes on these essential items and you are going to exempt sales for export purposes from tax, only to give the benefit to certain classes of traders, manufacturers or businessmen. You are not exempting the basic and essential commodities from taxation. So I would request that you specify in this connection what are the essential commodities which are totally exempt.

[Shri Dinesh Joarder]

Regarding security deposit, it is as well that the provision has been liberalised. We are glad that certain concessions have been given to the small trader. This question of security deposit was raised on the earlier occasion also. Now it is only on the basis of an approximate assessment that would be made that the amount of security deposit will be fixed.

Regarding harassment by certain gencies while crossing inter-State orders, by the railways or the trucks or other means of transport, whether you possess the sales tax certificate or other documents, at certain checking posts during inter-State traffic, this is there. We also discussed it when we were considering the inter-State route permits. I know of a certain *bona fide* consignor who had consigned a wagon load of certain articles from U.P. to West Bengal. He had valid documents, sales tax certificate and other documents for such transhipments. Even then the local authority would harass them saying 'Produce this produce that'. They examine whether it is a genuine certificate or a forged certificate. Due to the delay caused in such operations, the consignee has to pay demurrage to the railways and so on. The other harassment is there. Therefore, I request the hon. Minister to see that in the course of inter-state sale and transhipment, on the central sales tax account no party is harassed unduly; that point should be looked into.

Here, another definition has been given. It is for the purpose of central sales tax. This will create confusion. Business has been defined 'any trade, commerce or manufacture or any adventure or concern in the nature of trade, commerce or manufacture even for their own personal, individual purpose'. Even if a person manufactures some thing for his own consumption, it is covered. In rural areas bricks are manufactured by the individual for construction of his own house. If you treat that as adventure or manufacture and if you do not take the fact that it is being manufactured for his own individual use, it comes within the meaning of this, clause. Then it says 'any transaction in connection with, or incidental or ancillary to, such trade, commerce, manufacture adventure or concern'—My district is bordering on Bihar; certain persons live on this side of the border. They manufacture bricks in Bihar and carry it to this side, to West Bengal; then they are compelled to pay sales tax. They have lands on that side and residences on this side; even if they manufacture bricks for their own individual consumption, they have got to pay sales tax for crossing the border. This will confuse the meaning. I have also expressed my view about exemption. That will reduce the revenue of the states concerned; this will exclude sales in general for export purposes That point should be reviewed and reconsidered. I have already mentioned about exemption being granted to essential commodities because prices rise because of taxation on the part of the centre as well as states Duties on essential articles required for students for their education and by the poor villagers and other lower strata of society should be exempted; they cannot afford to pay duty on such articles which are needed for their livelihood; and they should be exempt from tax.

श्री हरी सिंह (खर्जा) : सेंट्रल सेल्ज टैक्स एमेंडमेंट बिल पर चर्चा चल रही है। मझे जो बिल का मख्य उद्देश्य है वह यह प्रतीत होता है कि आजकल अन्तर्राष्ट्रीय मार्किट में हमारा जो माल जाता है वह इस कम्पीटीटिव दुनिया में बहुत महंगा पडता है जिस की वजह से हमारे माल की विदेशों में खपत दूसरे मुल्कों के मुकाबले में उतनी नहीं हो पाती है जितनी होनी चाहिये। लिहाजा हमारे मंत्री महोदय ने यह जो एमेंडिंग बिल पेश किया है और जो सेल्ज टैक्स की अनेक समस्याओं का निपटारा करता है वह स्वागत योग्य है। यह बिल इस माने में बहुत ही महत्वपूर्ण है कि हमारा जो एक्सपोर्ट होने वाला माल है, उसके दाम हम विदेशी मार्किट में दूसरे देशों

से काम कर सकेंगे। इस कारण से हमारे माल की सप्लाई विदेशों में बढ़ सकेगी। इस संशोधन के जरिये जहां सैल्ज टैक्स की अनेक समस्याओं का समाधान कर सकेंगे वहां यह भी होगा कि हमारा अन्तर्राष्ट्रीय व्यापार बढ़ेगा। यह बिल बहुत ही समयिक है, और जो अभी बहुत सारी बातें कही गई कि स्टेटस के इंटरेस्ट को इस से क्षति पहुंचती है, ऐसी कोई बात इस बिल में नहीं है। इस को पढ़ने से ऐसा नहीं मालूम होता है कि किसी भी राज्य का जो स्वार्थ है वह सैल्स टैक्स से टकराता है और कोई नुकसान पहुंचता है। मैंने इस बिल को पढ़ा है और अभी माननीय स्टीफन जो तर्क दे रहे थे उन में कोई जान नहीं मालूम पड़ती थी। His way of expression was very con vincing but there was no merit in the argument itself. तो जो उन की भ्रान्तियां वह निर्मूल हैं। उन्होंने इस बात पर जोर दिया कि बड़े बिजनेस हाउसेज और एक्सपोर्ट हाउसेज को इस से बड़ा एंडवान्टेज होगा। मैं कहना चाहता हूं कि आखिर विदेशों में माल भेजने के लिये एक्सपर्टीज की जरूर होती है जिस को हर एक नहीं कर सकता।

SHRI VAYALAR RAVI (Chirayinkil): Can you say which are the items which are benefited for export?

श्री हरी सिंह : यह बिल बहुत ही उपयुक्त है। लेकिन इतना जरूर कहूंगा कि सेल्स टैक्स से सम्बन्ध में जो बहुत सारी स्थानीय दिक्कतें पड़ती है वह यह कि एक तो असेसमेंट जल्दी नहीं हो पाता। 4, 5 दिक्कतें ऐसी है जिन की वजह से सेल्स टैक्स का निपटारा आसानी से नहीं हो पाता। अपील केसेज बहुत दिनों तक पड़े रहते है, ठीक से असेसमेंट नहीं हो पाता। इस के अलावा सेल्स टैक्स वाले सर्वे करने और जांच करने के लिये जो ग्रास रूट पर आदमी होता है वह इंस्पैक्टर ही होता है। मेरा निवेदन है कि उस की जांच करने के लिये कोई अथौरिटी होनी चाहिये। सेल्स टैक्स का जो थ्री टीयर सिस्टम है उस में नीचे के लेविल पर जो काम करने वाला है उस पर हायेस्ट अथौरिटी का अंश नहीं पहुंचता है। अपील के मामले जल्दी निपटने चाहिये। टैक्स इवेजन के मामले बहुत दिनों तक अदालतों में लटके रहते है कई अदालतों में मुकद्दमें चलते रहते है जिस के कारण देर लगती है टैक्स वसूल करने में इस को भी सरकार को रेगुलेराइज करना चाहिये ताकि सेल्स टैक्स के मामले जल्दी से निपटा दिये जायें।

साथ ही साथ सेल्स टैक्स रेवेन्यू का मैन हिस्सा होता है इसलिये इस को आसानी से ओवरलुक नहीं कर सकते। सेल्स टैक्स ऐडमिनिस्ट्रेशन टोपहैवी है, इस को कम करना चाहिये। आज कल जो सर्चेज और सेल्स टैक्स के रेडस हो रहे है इन की वजह से वसूलयाबी बढ़ गई है। इस काम को बढ़ाना चाहिये और वह तभी सम्भव हो सकता है जब सेल्स टैक्स विभाग चौकन्ना हो कर के इस काम को पूरा करने में जुट जाय। जो सेल्स टैक्स के बहुत सारे पेंडिंग केसेज है उन को जल्दी से निपटाना चाहिये।

केन्द्रीय सेल्स टैक्स की वसूली में यह बिल बड़ा सहायक होगा, और इस में राज्य का कहीं टकराव नहीं मालूम पड़ता।

इन शब्दों के साथ मैं इस बिल का समर्थन करता हूं।

SHRI D. K PANDA (Bhanjanagar): Sir, as far as this Bill is concerned, there is nothing new. The parent Act is being amended as has been done in the past. But it affects many States and their Revenues. These questions have been raised long ago, prior to the last Sales Tax (Amendment) Bill which was referred to a Select Committee in 1972. At that time it was proclaimed

[Shri D. K. Panda]

to the world, including the Select Committee, that it is a very comprehensive sales tax law under which the poor people will not be affected, the essential commodities will be supplied to people who are at the subsistence level, such commodities will be exempted from tax and that a huge amount will be collected as sales tax from the big traders and monopoly houses.

When the Sales Tax Act came into force, there was a case in which the Orissa High Court gave a judgment which was appealed against in the Supreme Court by Sarajuddin. It is pending for the last ten years. Government should take into consideration these aspects when they, are going to amend the law. At least in the Select Committee stage in 1972 they could have done something, but nothing was done. The judgment of the Supreme Court was delivered on 16th April, 1975 and this Bill is being brought before the House on 26th August, 1976, that is, after a delay of one year, 4 months and 10 days. Why was there such a big lapse? This shows the seriousness which Government attach to these cases in spite of all what they say.

There may be many such Serajuddins, big traders and monopoly houses, which take matter to the Supreme Court and succeed Here I am one with Shri Stephen. Only Shylocks and big traders are getting the benefit, not even the State, what to speak of the ordinary people. The State is not going to be benefited.

Take, for example, Orissa. Minerals like manganese and ferro-vanadium are being exported. It is done mostly by private traders, private mine-owners, some export houses, and they can sell it even to some individual. They may or may not sell it in a foreign country. Yet those big traders, mine-owners and export houses are going to be exempted from sales tax.

The arument given is that because we want to earn fore foreign exchange and because there is fierce competition in the international market, we want to give more concessions, more incentives to the big traders. If at all you want to give some incentive, it should be to some selective items, and that also when dealt with by the public sector. Unless the State is going to be benefited no such exemption should be given, and certainly not to the big traders. That is my first submission.

Secondly, I want to point out that three points were raised in that very judgment. It says.

"The contract in each case between the appellant and the Corporation is inextricably bound up with the export The sale between the appellant and the Corporation and the export by the Corporation to the foreign buyer constituted one integrated transaction. Second, the Corporation has been interposed by the statute for a limited purpose between the appellant and the foreign buyer. Export cannot be made except by the Corporation. The Corporation could not have diverted the goods to a buyer in India without violating export and import control order. Therefore, the sale is in the course of export. Third, the contract between the appellant and the Corporation being on f.o.b. basis, the property in the goods passed only on shipment when the goods were in the stream of export. There is thus no sale in the taxable territory."

We know how these people are resorting to under invoicing and over-invoicing. If they had given the articles to some other person and not to the foreign buyer, they would have violated the law, but who is going to catch them. We are not able to catch everybody, and they violate the law at every point.

Therefore, this is the argument placed by Sirajuddin in this Orissa High Court case, and now we are going to uphold the contention of the Sirajuddins. So, Sirajuddins and others like him are now going to be benefited by this Bill. I am confident that the Government will definitely not be in a position to state categorically that this is the foreign exchange we are going to earn, this will be the national benefit, this will help the development of our national income in this way. Definitely not. If the hon. Minister can place to show in what way we are going to be benefited, let there be a table or some statement, but there is nothing to show how we are going to be benefited. As I have said, it is Sirajuddin who is going to be benefited and so many others like him.

As Mr. Stephen has pointed out, there will be absolute anarchy. Therefore, firstly there must be sales tax levied on those traders who are selling to some export houses. Secondly, different items should be selected whereby the State would not be put to any loss of revenue. Thirdly, the time has now come for having a fresh look at this Act and bringing forward comprehensive amendments to it.

I want to point out how these big traders are cheating. The foreign companies, multi-national corporations like Hindustan Lever Ltd., have evaded sales tax through various dubious means. I will give only one instance. Recently the Branch Manager and Branch Accountant of Hindustan Lever were arrested for certain irregularities and misappropriation of sales tax. They were released on a bail of Rs. 50,000 and Rs. 25,000 respectively. No press published this news. So, there are so many loopholes in the present Act, and they are taking the maximum benefit of them. They not only evade tax, but they also misappropriate moneys. Therefore, my suggestion is that there should be a comprehensive Bill and, specially, essential commodities should not be brought within the purview of this Bill.

MR. DEPUTY-SPEAKER: Now, this is obviously a very important Bill. Mr. Stephen has raised very important and valuable questions supported by other Members. But we have allotted just two hours for this Bill. We have nearly finished one hour out of that. I still have about 10 more speakers on my list. I am shure, they all will make important points and the Minister has also to answer all these points. I really do not know how we are going to do that within the next remaining one hour. I do not want to fight every Member, giving him just five minutes because this is an important Bill. I am just putting it to the House. I will give each Member the minimum of 10 minutes because I really do not believe that he can make effective points in less than that much time.

Shri D. N. Tiwary.

श्री डी० एन० तिवारी (गोपालगंज) : उपाध्यक्ष जी, सेल्स टैक्स अमेंडमेंट बिल जो अभी यहां पर आया है उसका कारण यह है कि कोर्टस ने उसके प्राविजन्स को अल्ट्रा वायर्सम डिक्लेयर किया। ऐसा मालूम पड़ता है कि हमारी ला मेकिंग मशीनरी में या ला ड्राफ्टिंग मशीनरी में कोई ऐसी कमजोर जगह है जहा हम ऐसा कानून ड्राफ्ट नहीं कर सकते जोकि कोर्ट्स की स्क्रुटिनी में टिक सके। इस गल्ती की वजह से कितने ही लोगों को तकलीफ हुई और गवर्नमेन्ट का भी कितना पैसा खर्च हुआ इस बिल को फिर से लाने में—इसके कोई आंकड़े तो हैं नहीं लेकिन मैं समझता हूं यहा लाखों में हो जावेगा। मैं मंत्री जी से कहूंगा कि फाइनेंशियल बिल्स की पूरी स्क्रुटिनी होने के बाद ही हाउस में उनको आना चाहिये ताकि ऐसा कोई नुक्सान मिल सके जिसकी वजह से कोर्टस उसको टर्न डाउन कर दें और फिर जो भी टैक्स उस वक्त तक रियलाइज किया गया हो उसको वापिस करने की बात उठे जिसके लिए फिर से सबको बिल लाना पड़े। यह बड़ा लैंची प्रोसीजर है। एक दो और केसेज में भी ऐसा हुआ है। इसलिये

[श्री डी० एन० तिवारी]

जो भी मशीनरी हो उसे ठीक करना चाहिए जिससे इन बातों की पुनरावृत्ति न हो।

उपाध्यक्ष जी, सेल्स टैक्स सरकार की रेवेन्यू का एक बहुत बड़ा जरिया है। सेल्स टैक्स के मामले में बड़ी धांधली भी होती है—उसकी वसूली में और उसके प्राविजन्स में कार्यान्वयन में भी बड़ी फेवरिटिज्म शो करने की गुंजायश है। जिसको भी चाहे छोड़ दे और जिस पर चाहे लगा दें। इस तरह से जो इसके इम्प्लीमेंटेशन की मशीनरी है उसको भी दुरुस्त करना है। रेवेन्यू कलेक्टिंग मशीनरी में, खासकर इनकम टैक्स सेल्स टैक्स और सेन्ट्रल एक्साइज—इन तीनों जगहों में बड़ी धांधली चलती है स्टेट्स में जो हेड्स आफ डिपार्टमेन्ट होते हैं। उनका लिंक सेक्रेटेरियट तक होता है। वह बड़ी धांधली करते हैं। अगर कभी कोई शिकायत होती है तो जल्दी उनकी इन्क्वायरी नहीं होती है। इन्क्वायरी होती भी है तो डिले तरीके से होती है जिसमें उसका महत्व ही समाप्त हो जाता है मैंने इसी हाउस में सेन्ट्रल एक्साइज के सम्बन्ध में चेंज लगाया था, जिक्र कर दिया था जिसको 4-5 महीने हो गए लेकिन कोई इन्क्वायरी नहीं हुई। इसी तरह से आप सेल्स टैक्स में भी देखेंगे और चाहे करेंगे तो मालूम होगा कि स्टेट्स में डिस्ट्रिक्ट लेविल पर जो आपके कर्मचारी हैं वह कितनी धांधली करते हैं। इसकी वजह से लोगों को भी तकलीफ होती है और आपका रेवेन्यू भी मारा जाता है। इसलिए आपको यह भी देखना होगा कि ऐसी बातें न हों। सेल्स टैक्स को, खासकर एक्सपोर्ट की चीजों में, आपने सिम्प्लीफाई करने की कोशिश की है। लेकिन जहां तक प्रावीजन का ताल्लुक है, बहुत ठीक है, आप कीजिये। मैं ऐसा समझता हूं कि इन सब से कुछ होने वाला नहीं है, जब तक आप की मशीनरी ठीक नहीं होगी, टैक्स की वसूली ठीक नहीं होगी, काम नहीं होने वाला है।

गेहूं, आटा, धान और चावल इन के बारे में आप ने कहा है कि एक ही जगह टैक्स लगेगा, ऐसा नहीं होगा कि धान पर भी टैक्स लग गया उस के बाद चावल पर भी टैक्स लग गया। मुझे ऐसा लगता है कि इस में एक चीज छूट गई है, उस को शायद आप ने नहीं देखा है। जैसे धान है—लोग धान खेत से तब टैक्स लगता है। और जब वह दाल बन कर आता है तब फिर उस पर टैक्स लिया जाता है—इस तरह से दो बार टैक्स लग जाता है। मैं आप से अनुरोध करूंगा कि इसके सम्बन्ध में भी आप विचार करें और ऐसी व्यवस्था करें कि उस पर दो बार टैक्स न लगे।

आप ने इस में स्टेटस की आमदनी को भी बचाने का प्रयत्न किया है, कानूनी दांव पेंच की वजह से जो उन की आमदनी खत्म हो रही थी उस को बचाने की कोशिश इस में की गई है, लेकिन आप को स्टेट्स की मशीनरी को भी देखना होगा। स्टेट्स के अन्दर सेल्स टैक्स और एन्टरटेनमेंट टैक्स में इतनी गड़बड़ी होती है जिस का कोई हिसाब नहीं है—अगर उस मशीनरी को भी दुरुस्त कर दिया जाय तब इस का लाभ हो सकता है। किस-किस आइटम पर सेल्स टैक्स लगता है या नहीं लगता है—यह बहुत महत्व की बात नहीं है, लेकिन उस की वसूली ठीक से हो आप की मशीनरी ठीक से काम करे यह बहुत महत्व की बात है।

कोर्ट फेन्ज पर टैक्स है—यदि आप उस को छोड़ देते तो उस से गरीबों को राहत मिल जाती। मैं समझता हूं कि इस से बहुत ज्यादा नुकसान नहीं होगा। आप इस को देख लीजिये—क्योंकि कोर्ट फेन्ज बाबू लोग या धनी लोग इस्तेमाल नहीं करते हैं, गरीब लोग इस्तेमाल करते हैं। अगर इस को आप एक्जम्प्ट कर सकें तो इस से आप गरीबों को राहत दे सकेंगे।

SHRI N. SREEKANTAN NAIR (Kerala): Mr. Deputy-Speaker, Sir, in the morning I raised a point of order bringing out the uncontitutionality of the amendment, especially amendment of section 5. In the Statement of Objects and Reasons, Government says:

> "This would make our exports uncompetitive in the fiercely competitive international markets."

That is given as the reason for amending section 5. But there is one aspect of this question. There are the conventional items of export which have existed there all along and which continue to exist without any help or any additional incentive from the Government of India. Such articles do not face any competition because they are virtually monopolistic. Why should Government bring them in here? The hon. Minister says that, if he excludes them, he will have to exclude the others also. That is not a fair approach to the problem. If it is only a question of increasing the possibilities of export or the quantum of export, those items whose export would not be affected by the sales-tax should not be included. This is my first point.

My second point is this. The statement of objects and Reasons says that this would result in enhanced exports by bringing down prices. Is this enactment going to serve that purpose? What he is now doing is, he is preventing the State from levying a single-point duty and is driving the State to levy a multi-point duty, which would raise it ten-fold. And you will have either to scrap the Constitution or do away with the States in order to prevent the States from levying a multi-point duty. Instead of at one point if the State Government raise it at 4 or 5 points, begining with the cultivation. Then where will the price be at the final stage? The system of levying a tax at the final point has been introduced because we did not want any harassment of the poor producer. We will have to appoint so many officers, an of officers that would be necessary to collect the tax. So, the State Governments decided to have it at the final point. If the hon. Minister says, Don't do it' of course, our people in the State will be benefited. Thousands of officers will be appointed to collect the tax. But there will be harassment of tens of thousands of small traders. Above all, both the export price as well as the price of consumption articles inside India will also shoot up. So, the very object of this enactment, of this amendment will be defeated at least in the case of clause 5.

There is another aspect to the question also. It is going just counter to the 20 point programme which says that prices will be controlled. They are allowing by this indirect method a levy of an indirect tax which would make the prices of essential commodities go up and naturally, poor people will suffer. At least, therefore, in the case of Clause 5, the traditional articles of exports which do not face such a competition in the international markets may be excluded. Or else, at least the Government should take the power to exempt such articles as are very necessary from the point of view of the State. The Government should take the power to exempt them so that at a later stage they may discuss with the State Governments to find out whether it is reasonable or not to exempt such goods from the provisions of section 5(3).

सरदार स्वर्ण सिंह सोढी (जमशेदपुर) : इस बिल का मैं स्वागत करता हूं। यह बहुत अच्छा बिल मिनिस्टर साहब लाये हैं। इस एमेंडमेंट की जरूरत क्यों पड़ी? सुप्रीम कोर्ट के दो जजमेंट हुए हैं। एक तो हुआ था खेमका एंड कम्पनी वर्सस स्टेट गवर्नमेंट आफ महाराष्ट्र। यह 27 फरवरी को हुआ था। दूसरा सेराजुद्दीन वर्सस स्टेट आफ उड़ीसा। यह 16 अप्रेल, 1976 को हुआ था। इन जजमेंट को मैंने पढ़ा है। सेक्शन 5 और सेक्शन 9 दोनों के बारे में अलग अलग जजमेंट्स थे। सेराजुद्दीन के जजमेंट में अपील डिसमिस हुई और खेमका वाले में अपील एलाउ हुई। दोनों में ही गवर्नमेंट के सामने

[सरदार स्वर्ण सिंह सोढी]

दिक्कत पैदा हुई थी। इस वास्ते प्रिंसिपल एक्ट को एमेंड करना जरूरी था। इससे जो लूपहोल और लेकुने हैं वे प्लग हो जायेंगे। मैं समझता हूं कि अगर माननीय सदस्य इस सब को अच्छी तरह से पढ़ेंगे तो सारी चीज़ साफ हो जायेगी।

हमारे अपोजीशन के दोस्तों ने कहा कि उनकी स्टेट एक छोटी स्टेट है। इससे उनका बड़ा नुकसान होगा। मैं कहना चाहता हूं कि ऐसी छोटी स्टेट्स हिन्दुस्तान में और भी बहुत सी हैं। इससे क्या सारा कारोबार बन्द हो जायेगा? सेंट्रल सेल्ज़ टैक्स एक्ट 1956 के चैप्टर 2, सेकशन 3 एए पार्ट में लिखा हुआ है :

"..occasions the movement of goods from one State to another or is effected by a transfer of document of the title of the goods during their movement from one State to another State."

यह जो चीज़ है इसको आगे जाकर सेकशन 5 में एमेंड किया गया। अब आप आपस में 3, 4, 5 और 6 से लेकर नौ तक सेकशंज़ तक को पूरा पढ़ेंगे और उसके साथ इन एमेंडमेंट्स को जोड़ेंगे तो यह सारा मामला साफ हो जायेगा और सारा मसला हल हो जायेगा। पिछला रुपया जो वसूल हो चुका है उसको वापिस करने की बात नहीं है। सब रुपया वापिस करने की बात नहीं है। पैनलटीज़ वगैरह जो लगाई गई हैं थोड़े से पीरियड को छोड़ कर बाकी वापिस नहीं करनी पड़ेंगी। अगर एमेंड न करें तो करोड़ों रुपया गवर्नमेंट को उनको देना पड़ेगा। इस वास्ते यह जो एमेंडमेंट लाया गया है यह बहुत अच्छा एमेंडमेंट है।

अब मैं यह बताता हूं कि सेन्ट्रल सेल्स टैक्स में इवेज़न कैसे होता है। ट्रांसपोर्ट वाले यह करते हैं कि अपने ही नाम पर कन्साइनमेंट ले लेते हैं। ट्रांसपोर्ट वालों को थोड़ा सा ज्यादा पैसा दिया और अपने ही नाम कन-साइनमेंट ले लिया। इस सेल्फ़ कनसाइनमेंट की वजह से करोड़ों रु० का सेल्स टैक्स इवेज़न होता है। मेरा कहना है कि इसको रोका जाय। अब नेशनल परमिट हो गये हैं इसमें और खुली छूट हो गई है। कोई भी ट्रक देश के किसी कोने में जा सकती है। ट्रक वालों को जहां थोड़ा सा ज्यादा पैसा मिला और उन्होंने गलत काम किया। मेरा निवेदन है कि जगह जगह पर सरकार को इस तरह से टैक्स इवेज़न को रोकने का इंतजाम करना चाहिए जिससे टैक्स इवेज़न न हो।

आप दिल्ली में ही सदर बाजार में देख लीजिये। यहां काफ़ी बिज़नेस होता है, देश के कोने कोने से व्यापारी माल खरीदने आते हैं। व्यापारी क्या करते हैं कि 10,000 रु० के माल की जगह 1,000 रु० की रसीद बनाते हैं और यहां से माल ट्रक पर रखा और सीधे जमशेदपुर ले गये। इस चीज़ को रोकना चाहिए क्योंकि इससे सरकार को काफ़ी नुकसान होता है।

बड़ी बड़ी कम्पनियां भी टैक्स इवेज़न करती हैं। बिहार स्टेट में एक मिनिस्टर ने जा करके टिसको द्वारा टैक्स इवेज़न पकड़ा उन्होंने सेन्ट्रल सेल्स टैक्स ही नहीं दिया। ऐसे बड़े लोगों पर भी ध्यान रखिये कि वह क्या करते हैं। आप जब रजिस्ट्रेशन कराने जाते हैं तो अफसर की मर्जी पर है कि वह कितना रुपया आप से ले ले। बगैर रुपया दिये 'सी' फार्म ही नहीं देते। इसको बन्द करना चाहिए।

मेरा सुझाव है कि जो सेन्ट्रल सेल्स टैक्स आप 4 प्रतिशत लगाते हैं इसको एक जगह लगाइये। जहां चीज़ मैनुफैक्चर होती है वहीं आप को टैक्स मिल जाय। इससे लोगों को राहत मिलेगी। आप ने इनकम टैक्स में 70,000 रिड्यूस किया तो सरकार को ज्यादा टैक्स मिलने लगा। इसी प्रकार आप भी सोर्स पर टैक्स लगाइये जिससे जनता को राहत होगी। स्टेट और सेन्टर के अधिकारियों में कोआर्डिनेशन होना चाहिए। इन शब्दों के साथ मैं इसका समर्थन करता हूं।

SHRI Y. S. MAHAJAN (Buldana): Mr. Deputy Speaker, Sir, the Central Sales Tax Act, 1956, came into force on 7th January 1957, with the exception of section 15 which was introduced from October, 1958. It was enacted under Article 286 of the Constitution. It provides for the levy, assessment and collection of tax on sale of goods in the course of inter-State commerce and trade. The proceeds of the tax have to be assigned to the States under Article 269(g) of the Constitution. They are retained by the States from which goods move as a consequence of trade. This Act has proved to be a source of increasing revenue. The yield of the tax in 1960-61 was about Rs. 23 crores; in 1970-71 it was about Rs 137 crores; and it is rising rapidly.

The Central Sales tax Amendment Bill seeks to make important changes in Sec. 2 to 9 and Sec. 14 and 15 of the original Act. The definitions of terms such as dealer, business and customs frontiers of India have been clarified and elaborated or re-drafted and made comprehensive so as to avoid difficulties experienced in the operation of the Act. For instance, a Government whether or not, in the course of business, buys, sells supplies or distributes goods for cash, commission, remuneration or other valuable consideration, shall be deemed to be a dealer for the purposes of this Act, except in relation to any sale, supply or distribution of surplus, unserviceable or old stores or materials. The word Customs Station which is now used in the amending Bill shall, in future, have the same meaning as in the Customs Act of 1962. The old expression Customs frontiers of India was interpreted to be coterminous with the extent of the territorial waters.

Exported or imported goods are checked in the customs station and not at the edge of the territorial waters. The interpretation put on the old expression gave rise to practical difficulties. And therefore the new definition gets over the awkward situation. Section 3 of the amending Bill is very important because it enables you to get over a very serious difficulty created by the judgement of the Supreme Court in the case of Mohd. Serajuddin *versus* State of Orissa. (*Interruptions*) The Supreme Court held there that the sale of an Indian exporter from India to the foreign importer alone qualifies as a sale under the Inter-States Sales tax Act.

Now, according to Section 5 of the original Act, the sale or purchase of goods can qualify as a sale or purchase in the export of goods out of the territory of India and get exemption from the sales tax only if the sale or purchase has either occasioned such exporters or is by a transfer of documents or title to the goods which have crossed the customs frontiers of India.

The Supreme Court held otherwise. The export business requires a lot of very specialised knowledge. It requires knowledge, for instance, not only of the detailed conditions of trade obtaining in foreign countries but also knowledge of laws regarding transport of goods by land, sea, air, insurance and sale of goods. Therefore, very few people are able to conduct the export trade of the country, in spite of the fact that in our country we have the Institute of Foreign Trade for training the people to carry on this export trade. It tends to be concentrated in the hands of agencies like the STC or export houses. In the case of small scale industries and medium type industries; they are completely dependent on such agencies, since they cannot afford to keep in touch with the foreign dealer which is beyond their means or employ experts in the field.

To export goods you have first to arrange for sale to a canalising agency such as the STC or an export house which in turn arranges for their export to the foreign importer in compliance

[Shri Y. S. Mahajan]

with an existing contract or order. Hence both the transactions i.e., first, the sale to the S.T.C. or export house, and second, the sale by the S.T.C. or export house to a foreigner, have to be considered as inextricably connected with or in the course of the export of such goods. Both the transactions have to be exempted as we want to boost our exports.

This point has been clarified by Section 4 of the amending Bill. These two sections, that is, three and four are to be given retrospective effect from 1st April, 1976 and will thus have the effect of slightly lowering the prices of export goods by the amount of the tax.

Sir, some of the hon. Members have preceded me, if I may say so, have spoken from the provincial point of view. It is the Centre which has to look after commerce, that is, the imports and exports position. Due to four-fold increase in oil prices we were dealt with a severe blow and our balance of trade position became critical. In spite of tremendous efforts to boost exports the year 1975-76 closed with a deficit of more than Rs. 1050 crores. If the deficit continues at this rate the country cannot remain in a solvent condition. It is, therefore, from this point of view that both the transactions should be exempted from the sales tax. The amendments that are proposed will in my view reduce the cost of exports, make them more competitive in the international market and have an appreciable effect on closing the gap in our balance of trade which is always a factor of crucial importance in the growth of an under-developed economy.

Clause 6 of the amending Bill has also been necessitated by the judgement of the Supreme Court in Khemka Co. Pvt. Ltd. *versus* the State of Orissa. The court held that the provisions of the State sales-tax laws as to penalties did not apply for the purposes of Central Sales Tax. The original Sales Tax Act had in fact empowered the State sales-tax authorities to assess, re-assess, collect and enforce payment of the Central Sales Tax law and authorised them to exercise all the powers which they had under these laws in their respective States.

Lastly, Section 14 of the Central Sales Tax declares certain goods to be of special importance. It provides that if they are taxed in any State the rate of tax shall not exceed 4 per cent of the sale or purchase price of the goods, secondly it shall not be levied at more than one stage and thirdly if such declared goods are sold in the inter-State trade or commerce the tax so levied shall be refunded to such person in such manner and subject to such conditions as may be provided in any law enforced in that State. It is a good thing that clause 7 of the Bill declares certain cereals and pulses to be such goods of special importance in the inter-State commerce but they have included crude oil also. I am doubtful about the utility of including this item.

Our Deputy Leader raised so many objections to the Bill. As regards the constitutional validity, it can be looked after by the Supreme Court. But he said that the result of this Bill will be that the finances of State Governments would collapse. This is an absolutely wrong statement. The finances of States depend on the yield from State sales taxes and not the Central sales tax. (*Interruptions*). I know what I am talking about. The yield from the Central sales tax is divided between States, but the main income of the States is from the State sales tax.

SHRI SHIVAJI RAO S. DESHMUKH (Parabhani): Central sales tax is not divided among States.

SHRI Y. S. MAHAJAN: It is.

There is one more point I would like to raise and that is whether it is advisable for the Central Government to impose an inter-State sales tax because, I think, it offends against the tenet of free trade within a Federation.

SHRI RAJA KULKARNI (Bombay-North-East): Mr. Deputy-Speaker, the Central Sales Tax (Amendment) Bil while trying to remove the anomalies or difficulties arising out of different judicial pronouncements has created, or is likely to create, certain strains in Centre-State relationship due to the financial earnings of the States being affected. There is no doubt about it. I am not going to go into the details of such strained relations that might be caused. I am sure the Minister in charge of the Department of Revenue and Banking will take care of it, but there should have been more thought given, and more consultations held with the State Governments concerned who are likely to be affected.

I am aware that the views of certain Governments were invited and there were detailed discussions in respect of certain goods which are of special importance, special crude, to which I am going to refer. There are certain States which are likely to be affected because crude oil is now to be categorised as a declared good. Now, what will be the result of it? So far as imported crude is concerned, it has been exempted and the problem will not arise even in future. But as regards indigenous crude, whether it is in Assam, Gujarat or Maharashtra now, because of Bombay High, these States are likely to be affected. Now 80 per cent of the crude produced is taxed at the State sales tax rate of 8 per cent. Now when this is going to be categorised as a 'declared good' under this legislation, it will be 4 per cent. and so these States, specially Maharashtra whose within the next three or four years the production is expected to be 10 million tonnes as against 5 or 6 million tonnes in Gujarat and 4 or 5 million tonnes in Assam, are likely to be affected. We would like that they are compensated for this in some way or other. The Minister should take care of this and at least assure the State Governments on account of the loss likely to be caused to their exchequer.

15.29 hrs.

[SHRI G. VISWANATHAN *in the Chair*]

The other point is about sales which go into export and the exemption given to them under cl. 8. It is true that now whether there are two transactions or three transactions or one transaction, from the manufacturer to the wholesaler, from the wholesaler to the exporter, whether the last exporter is the State Trading Corporation or the export house, all these transactions are now to be exempt from payment of sales tax. Yet, it would have been better if there had been a further qualification to it that even for the last exporter there should be a timelimit. Such a timelimit is there in the Bombay Sales Tax Act also. If the last transaction does not take place occasioning exports, if exports do not take place within nine months of sales, it is subject to sales tax. So if exports take place within 9 months, they are exempt even under the Bombay Sales Tax Act. We should like that such calculations should be considered. The Maharashtra Government had given their suggestions that their provision should have been accepted. Even at this late hour, the hon. Minister should consider the suggestion that there should be a time limit and then alone it should be exempt.

SHRI VAYALAR RAVI (Chirayinkil): The hon. Minister is shouldering the cross which had been handed over to him by the Commerce Ministry. They are giving also retrospective effect. I am afraid the hon. Minister may not have gone into the details. It is inevitable; it is a courtesy on the

[Shri Vayalar Ravi]

part of the central government to consult the Chief Ministers of the State Governments in the proper form before making an amendment which seriously affects the economy of the States. I regret that the Central Government has not done this: this Bill has come before us one fine morning as a bombshell and this is going to affect the States adversely; especially my state will be affected very severely. Mr. Stephen has pointed out that out of a total revenue of Rs. 119 crores, at one snatch Rs. 23 crores are being taken by the Central Government and given back to the exporters and export houses in this country. The statement of objects and reasons says:

> "In other cases also, manufacturers of goods, particularly in the small scale and medium sectors, have to depend upon some experienced export house for exporting the goods because special expertise is needed for carrying on export trade. A sale of goods made to an export canalising agency such as the STC or to an export house to enable such agency or export house to export those goods in compliance with an existing contract or order is inextricably connected with the export of the goods. Further, if such sales do not qualify as sales in the course of export, they would be liable to State sales tax and there would be a corresponding increase in the price of the goods. This would make our exports uncompetitive in the fiercely competitive international markets."

I am prepared to accept their argument. Could be point out which are the items which are going to be benefited by this? Which items will suffer in international market today because of sales tax. One fine morning by this Bill Rs. 400 crores are being taken away from different States and given—to whom?—to private exporters in the name of STC. Then this is being given effect to retrospectively from 1952 onwards. How much will be the savings for STC? Which are export items today in international market? Pepper and cardamom are monopoly items. Only two countries produce pepper; it is almost an Indian monopoly. Cardamom also—only India and Guatemala; it is also almost a monopoly of India. We were exporting marine products worth Rs. 80 crores; our export of marine products jumped from 80 crores to Rs. 118 crores with sales tax. Tamil Nadu, Kerala and Andhra have introduced sales tax. With a sales tax of five per cent, to marine products exports have registered an increase from Rs. 86 crores to Rs. 118 crores. Did they suffer because of sales tax? Have they suffered because of sales tax? No. CCI is importing cashew from African countries paying Rs. 250 per tonne. CCI is making a profit of 30 per cent and selling it to the Indian exporters. Yet, the export is going up. They are objecting to the Kerala Government taking 5 per cent sales tax! Is the minister against any tax on any raw material which is converted into exportable commodity? Suppose there is two point sales. Then sales tax will come. You are objecting to one point sale, saying the price has to be controlled But what about two point sales? So, the argument is not convincing.

It is blatantly admitted that this is to boost exports But the fact remains that it is only the monopoly export houses who are going to benefit to the tune of Rs. 400 crores, apart from the other benefits they are enjoying. In the Serajuddin case, the Supreme Court never said that there is anything wrong with the Constitution. Article 28 says:

> "(1) No law of a State shall impose, or authorise the imposition of, a tax on the sale or purchase of goods where such sale or purchase takes place—
>
> (a) outside the State; or
>
> (b) in the course of the import of the goods into, or export of the

goods out of, the territory of India.

(2) Parliament may by law formulate principles for determining when a sale or purchase of goods takes place in any of the ways mentioned in clause (1)."

It says, you should not tax something which is exported. But it does not prohibit a State from imposing sales tax before that. This Bill is being brought to defeat the whole interpretation given by the Supreme Court. To protect whom? On the pretext of helping STC, it is monopoly export houses who are going to get the benefit. It is to them that the government is showing sympathy. The Bill says this is to help the small and medium entrepreneurs. Where are they? I saw an advertisement in the *Times of India* where an export house is inviting everybody to export through them. We know what is happening in the fishing industry today. The big monopoly houses are eating up the small entrepreneurs by saying "You export in my name". As Mr. Stephen pointed out, this is being done at the cost of the State revenue. My State is suffering today We produce agricultural commodities. But the monopoly houses are clever enough to evade taxes Big companies like Good Year, Firestone, Dunlop, etc., are not making any sales in Kerala; their sales are all outside Kerala. So, my State is losing 40 per cent of the total sale of rubber and we are not getting any taxes. So, they know how to evade the tax. By introducing this law, the hands of the State Governments are being tied. It is not merely a question of Kerala. Maharashtra, Gujarat and even poor Assam will be affected, because it exports tea.

I can say that this is not going to boost up the exports. During the last three years, the prices have gone up and the quantum has gone down, so far as our exports are concerned. It is not because of recession in industry, but due to other reasons. Will the minister come forward next year and say, "Because of this concession, our exports have gone up by this much."? Can he identify the items whict are going to be benefited by this?

So, I would appeal to the hon. Minister that instead of rushing through this Bill in the name of the STC and the public sector, he should have patience enough to consult the State Governments, because they are being adversely affected by this measure. Of course, Parliament can enact law on this subject. On the one hand, the Central Government are writing to the States to raise finances for the Plan; on the other hand, you are taking away the entire revenue of the State. For a poor State like the Kerala, sales tax is a big revenue, and if you take away that revenue, it will be very difficult even to sustain. So, finally, I would appeal to the Minister to postpone consideration of this measure pending consultation with the Chief Ministers, rather than trying to help the monopoly houses at the cost of the State revenue.

SHRI K. P. UNNIKRISHNAN (Badagara): Mr. Chairman, I speak more in sorrow than in anger, because of the act that my esteemed friend, Shri Pranab Kumar Mukherjee, for whom I have great affection and high regard, had thought it fit to bring forward such a Bill. I have nothing against the principles of the Bill, but he has chosen to rush through this Bill without due consultation with the State Governments and, if I may be permitted to say so, without even giving due time to this House.

I do not want to get involved in a legal battle, the issue has been very ably argued by the Deputy Leader of my party, Shri C. M. Stephen, and others. But I think it involves many more fundamental considerations than the mere legal questions involved. Because, admittedly, it imposes a crippling blow to the State finances in general, and to my State in particular.

[Shri K. P. Unnikrishnan]

So, while I would not argue on the point of it being unconstitutional or otherwise, I would undoubtedly say that this was certainly not the assumption underlying the Constitution of the Union-State relationship, of the Union-State financial relationship. Whether it was contemplated under the Government of India Act, 1935, or not, historically speaking and politically speaking, there were certain valid assumptions behind our Constitution, when we called it a Union of States, when we demarcated the functions between the Union and the States and also divided the finances of the Union and the States. So, it would be wrong to say or proceed under the assumption that this is a unitary State. In spite of some legislation here and there, I would say that it would be historically untrue to say that this has ever been a unitary State! If it comes to that, I can say there is no State known as India What is the concept of India? There is no State known as India from Badrinath to Cape Comorin, from Dwaraka to Manipur. This vast country of ours has been historically conditioned as an assemblage of regions, as a quasi-federation. Whether politically and constitutionally it is a federation or not, what the federal features are, that is an entirely different question. So, I am unhappy, extremely unhappy, that this bill strikes at the very root of such healthy relationship between the Centre and the States. I will come to that later on.

I do not want to get involved in the Serajuddin case, the legal implications of it and so on. But, apart from the Supreme Court judgment, one of the main considerations mentioned in the Statement of Objects and Reasons is that it would promote exports. I have nothing against it, I am all for it. If there is an element of subsidy in our Exports, it will certainly have an inflationary impact, and all sorts of people will try to take advantage of the subsidy. We should try to avoid it. It is said that we have to make our goods competitive in the world so that we can meet our requirements of foreign exchange for industrialisation, maintenance imports and so on.

I do have certain objections and reservations to the kind of strategy of export-led growth that is being tom-tommed by some of the officials of the Commerce Ministry, with inbuilt import content, because that will ultimately lead only to erosion of our own foreign exchange reserves! This was also done by the Ministry of Petroleum and Chemicals at one time. At that time nobody paid attention to what was being said in Parliament, but now it is realised that petroleum was not such a thing to be wasted or burnt away. I do not want to go into that.

I accept the promise that our export goods must be made competitive in the international market. Probably it has relevance to steel, engineering goods, textiles, man-made fibres and any number of manufactured goods which we are trying to push through in the international market, but I cannot say that it is true of our traditional exports. I cannot say that it is true of goods which have been exported since time immemorial, goods which have undoubtely been on the international market with an Indian stamp. There, if we suffer, if we cannot compete the causes must be traced elsewhere, whether it is coir or pepper. Take pepper, 99 per cent of the pepper in India is produced in Kerala. India ranks with Indonesia as the only producer of pepper, and if we lose in pepper, it is not because of the cost advantage or disadvantage, it is because of other reasons. Take coir. If other countries are looking for substitutes and there are certain substitutes entering the market to compete, it is not because of the inherent price disadvantage of

coir. Or take ginger or cardamom where we compete only with guatemala, or lemon grass oil or marine food exports. Is it only because of the price factor? If you withdraw this item and deprive the State Government of this revenue, are they so elastic that exports will go up immediately? I think no case has ever been made out hereby the Commerce Minister at any time that an advantage of this kind as is being contemplated in this Bill is going to help the exports of this country for pushing forward the exports of these types of commodities. I would like the hon. Minister, if he has any facts, to share them with the House and tell the States and the House whether this is true or not. Otherwise, I would say no case has been made out and these claims are fallacious.

Now, it has been stated that it will help export houses. Well, if that is the strategy of the Government, if they want to help the export houses, I have no quarrel, if they want to make Birlas grow bigger! We know where we began, with an investigation of the Dutt Policy Committee, and we know where we are today. If that is the policy, I have no quarrel, but I do not know whether that is the policy. If it is the policy to push in DCM, Union Carbide and other international cartels into the marine food exports and allow the pioneers, all those who have struggled on the Kerala coast, to be eaten up by these big sharks, if that is the policy of Shri Pranab Kumar Mukherjee, of this Government, I have no quarrel, but the facts should be taken as facts.

I am immediately concerned more with the consequences for my own State. Virtually, out of a revenue of Rs. 200 crores for 1976-77, Rs. 23 crores are going to be directly affected with the passage of this Bill. We will lose Rs. 23 crores out of it straightway, and several crores by way of refund. There might be other States who might lose more or less. But I am here to say that we will lose Rs. 23 crores.

Are we going to be penalised for our topography, because we produce the kind of agricultural commodities which are primarily exported, because the high ranges of Kerala produce plantation crops, because the middle lands of Kerala produce other cash crops and because our coastal area provides marine products? Are we going to be penalised for that?

That is why, as I said earlier, the basis of Centre-State relations is to be clearly understood. We must try to promote the cause of the Union and assumptions underlying the concept of the Union, rather than trying to strike at the roots of the Centre-State financial relationship. Now, this will only result in depriving the State coffers of their revenues and affect their financial solvency. The States have been exhorted by the Centre, by Minister after Minister of the Centre, to mobilise the resources and, rightly, so. The Planning Commission has been lecturing to them about the need for mobilising resources. Under the present constitutional arrangements, whatever might be the pattern tomorrow, there is a large area of responsibility, like, agriculture, education, forestry and minor irrigation vesting with the States. Today, I am sad to say that this Bill will only promote uneven development because we in Kerala have concentrated on education and social services, I do not know whether it is the intention of the Centre or the Minister that we should be walking on the crutches provided by him instead of mobilising our own resources.

The most important point that I would like to make before I conclude is this. One of the most important factors in slow growth as well as a very serious malady of the Indian economic development has been the regional imbalances. I am sure, the Minister has read a small book written about his own State. "The Agony of West Bengal", written by a distinguished journalist, Mr.

[Shri K. P. Unnikrishnan]

Ranajit Roy. I do not want to go into the details as to how industrial licences have been distributed and how certain States or certain pockets have cornered industrial licences and, consequently, growth has taken place in certain pockets, trade and industry has developed in certain pockets, and consequently employment opportunities have come up in certain pockets and, also, there has been a marked increase in the State revenues in respect of certain States.

Is it the policy of the Union Government to promote regional imbalances because, ultimately, this kind of a legislation is only going to promote regional imbalances; instead of trying to make the States more solvent so that they can mobilise more resources? This kind of a legislation will only lead to under-development of a kind and also transfer of incomes which will strike at the very roots of the present Centre-State relationship. It will also lead to such distortions and their long-range implications have not been studied or probably understood. So, I would urge upon the Minister to exempt such agricultural commodities as are necessary, as are exported, so that it will bring in these revenues to the State Governments even if it calls for an amendment to the Constitution later. Also, if Parliament is empowered under article 286 to frame principles, I do not understand how it cannot provide exemptions. If Parliament has the power to frame such principles as are necessary under article 286, I do not understand why necessary exemptions cannot be provided. Of course, I am not a lawyer. Mr. Somnoth Chatterjee, Dr. Seyid Muhammad, Mr. Trivedi and a large number of other legal luminaries are here. It is for them to discuss and decide. I cannot understand how exemptions cannot be provided. It should have been better if it had gone to a Select Committee and if proper consultations had been held earlier. At least, at this stage, I would request him to listen to the agony of the States. If we want to re-structure the Centre-State relationship, particularly, in the economic sphere, greater thought will have to be given to such legislation at least in the future. I hope, he will at least agree in principle that the States are going to lose.

डा० कैलास (दक्षिण बम्बई) : सभापति जी, मैं समझ नहीं पा रहा हूं कि माननीय मंत्री श्री, श्री प्रणब मुकर्जी को बधाई दूं या यह कहूं कि आप थोड़ी जल्दबाजी में कुछ निर्णय सूकर इस बिल को सू आये हैं तो इसमें कोई अतिश्योक्ति नहीं होगी। बधाई के पात्र तो वे इसलिए हैं कि अगर आप बिल के सेक्शन (5) और (6) को देखेंगे तो उन्होंने रिट्रास्पेक्टिव इफेक्ट 1-4-76 से दिया है जिससे कि राज्य सरकारों को कुछ रुपया वापिस न देना पड़े। उसी प्रकार से सेक्शन (9) में जो राज्य सरकारों ने पीनल ऐक्शन लिया था उसको भी वापिस न करना पड़े। इन बातों के लिए तो वे बधाई के पात्र हैं लेकिन मैं समझ नहीं पा रहा हूं कि उन्होंने राज्य सरकारों की पूरी तरह सलाह न ली, खास कर जिसमें ऐसी गम्भीरता हो, क्यों इस बिल को जल्दी लाने का प्रयत्न किया। महाराष्ट्र के मुख्य मंत्री दिल्ली में हैं, महाराष्ट्र के वित्त मंत्री दिल्ली में हैं, उन्हें चिन्ता है कि आपने जो एक यह परिभाषा "कटेग्राइज" की है "डिक्सूयर्ड गुड्स" की उसमें सोरियल्स और पल्सेज को लेकर आये हैं। यद्यपि महाराष्ट्र सरकार ने सीरियल्स और पल्सेज के लिए भी सलाह दी थी कि कोई हर्जा नहीं है अगर वह टिन्ड अवस्था में बेचे नहीं जा रहे हैं तो उन पर कोई सेल्स टक्स लगाया न जाये। उससे महाराष्ट्र सरकार को कुछ नुकसान तो होगा लेकिन उसे वह सहन कर सकती है। लेकिन जब हम देखते हैं कि बाम्बे हाई से "क्रू" दिनोंदिन बढ़ता चला जा रहा है और वह दिन भी आ जायेगा ज ब कुछ वहां से

10-15 मिलियन टन "कूड" निकाल सकेंगे, जिसे बी०एस०ओ०सी० जब रिफायनरीज को बेचते हैं तो कुछ चार्ज करते हैं लेकिन महाराष्ट्र सरकार उस पर अब सेल्स टैक्स नहीं लगा सकेगी। मैं मानता हूं मंत्री जी यह उत्तर दे सकते हैं कि उन पर महाराष्ट्र को रायल्टी मिलेगी लेकिन रायल्टी मैं मानता हूं मिल नहीं सकेगी और सेल्स टक्स से बिल्कुल आमदनी नही होगी। आप आमदनी की गणना या हिसाब इस प्रकार से नही कर सकते कि आमदनी रायल्टी से हो जायगी। केन्द्रीय सरकार मां की तरह से है और स्टेट गवर्नमेन्ट्स बच्चों की तरह से हैं। यह आशा की जाती है कि केन्द्रीय सरकार राज्य सरकारो की पैसे से और एक्सपर्ट ओपीनियम देकर मदद करेगी न कि यह कि जो राज्य सरकारे स्माल स्केल इंडस्ट्रीज के द्वारा स्टेट को कुछ ऊचा उठाने का प्रयत्न कर रही हैं, उनको एस०टी० सी० के नाम पर हानि पहुंचायेगी। यद्यपि मैं हमेशा पब्लिक सेक्टर को बढाने के हक मे हूं। यही नही मैं उन व्यक्तियों मे से हूं और विश्वास करता हू कि एस०टी०सी० का कार्य-क्षेत्र बढ़े तथा ठीक प्रकार कार्य करे। लेकिन वह एस०टी०सी० जो 30 परसेन्ट का मुनाफा लेकर काम करती हो यह ठीक नही। अब उसके नाम से और एक्सपोर्ट हाउसेज के नाम से अर्थात् टाटा, बिडला और ब्रिटेनिया बिस्कुट्स—इन लोगो के नाम से राज्य सरकार को नुकसान पहुंचायें तथा अमीरों को फायदा।

16.00 hrs

इस लिये मैं श्री प्रणब कुमार मुखर्जी साहब से प्रार्थना करता हूं कि आप ने इस बिल को यहां लाने में थोड़ी जल्दबाजी की है। हमारे कांग्रेस के मित्रों ने भी आप के सामने इस प्रकार की दलीले रखी हैं, जो शायद आपकी समझ में भी आ रही हैं, लेकिन आपके हाथ बंधे हुए हैं। इस लिये मेरा सुझाव है कि आप इस बिल को अगले सेशन के लिये पोस्ट पोन कर दें, जिससे इस बीच में इस पर फिर से विचार किया जा सके। आप जानते हैं—केरल के फाइनेन्स मिनिस्टर यहां मौजूद हैं, हमारे महाराष्ट्र के मुख्य मंत्री और फाइनेन्स मिनिस्टर यहां मौजूद हैं। हम सब यह महसूस करते है कि इसमे जल्दबाजी न की जाय। कूड से हमारी स्टेट को 8 परसेन्ट सेल्स टैक्स मिलता था, आप उसको सिर्फ 4 परसेन्ट पर ले आये हैं और वह भी हमें नही मिलेगा क्योंकि वह केन्द्र का होगा। यह ठीक है कि इस से आसाम को फायदा होगा। आसाम को फायदा हो, मैं चाहता हू कि आसाम को ज्यादा रुपया मिले, हर प्रान्त को ज्यादा फायदा हो, लेकिन इसका यह मतलब नही है कि जो हमारी "कांस्टी-टूशनल" कमाई है उसको आप इस तरह से कम कर दें।

श्री प्रणब कुमार जी बहुत बुद्धिमान और संजीदा दिल के आदमी हैं, मैं उम्मीद करता हूं वे अपने साथियों से और प्रधान मंत्री जी से इस विषय में बात करके इसको पोस्टपोन करने का प्रयत्न करेंग। इस बिल के आज ही पास न होने से कोई आसमान नही गिर जायगा। मैं मानता हू कि सुप्रीम कोर्ट के फैसले की वजह से उनको इस बिल को यहा लाने की जल्दी थी, तो आप उतना ही इसमे रख लेते जिसका सुप्रीम कोर्ट के फैसले से ताल्लुक था, अब भी आप ऐसा कर सकते हैं और बाकी बातों के लिये राज्यों के मुख्य मंत्रियों और वित्त मंत्रियों से बातचीत करने के बाद आने वाले सेशन मे ले आये, जिससे न राज्य सरकारो को कोई नुकसान हो और न केन्द्र सरकार को कोई नुकसान हो। हमारी जो स्माल स्केल इण्डस्ट्रीज है, एस०टी० सी० हैं, इनको भी कोई नुकसान नहीं होना चाहिए, लेकिन जो बड़े-बड़े एक्सपोर्ट हाउसेज बैठे हैं, जो एक्सपोर्टर्स कहलाते हैं, उनको फायदा होता हो तो स्वाभाविक है कि सब को दुख होगा।

[डा० कैलास]

इन शब्दों के साथ मैं इस बिल का समर्थन तो दे रहा हूं क्योंकि बहुत सोच समझकर लाया गया है, लेकिन हाऊस में आप ने हम सब के विचार सुने है तो आप उस पर अवश्य विचार करेंगे. . .चैटर्जी साहब आप हंसते है, इस लिये कि आप की पार्टी डिस्प्लिन में विश्वास नहीं रखती । इस में हसंने की कोई बात नहीं है क्योंकि पार्टी का डिस्प्लिन कायम रखना हमारा पहला कर्तव्य है । मैं इस बिल का समर्थन कर रहा हूं इस लिये भी कि हमारे मंत्री मंड़ल की श्रीमती गाधी जैसी बुद्धिमान तथा कुशल प्रधान मंत्री है तो यह बिल बड़ी सोच समझ कर लाया गया है ।

SHRI SHIVAJI RAO S. DESHMUKH (Parabhani): While rising to congratulate the hon. Finance Minister for bringing forward a Bill which claims to plug so many loopholes, simultaneously I would like to draw your attention that it has left so many holes free through which the revenues can leak on a much larger scale than he proposes to stop the leakage.

It is true that the export trade of this country has to be encouraged, the foreign earnings and foreign exchange accumulation have to increase, but it does not mean that the earnings of foreign exchange by the Centres should necessarily be at the cost of the States because we cannot take a position in a Union and particularly a federation like ours that those States who produce goods which are only meant for domestic market are free to levy any amount of sales tax which they wish and those States who, in order to help the patriotic cause of exports, indulge in the luxury of manufacturing the export promotion goods are denied the basic advantage and basic right which any other State Government anywhere in India should ordinarily be given. Therefore, if there are any means of promoting foreign exports, this Bill, in fact, if I may say so—the hon. Minister will please excuse me—is the most unfair cut and it is the unkindest cut on the practically precarious balance of payments position of the States and will go a long way in denying the underdeveloped States their rightful claim.

Besides this, when I started my speech, I said that it leaves so many loops with so many holes. One of the basic holes is:

When you think of sale for export there is no end to it and nobody knows where this will stop. This is left undecided, undefined and if I may say so, it is in a mess of confusion because there is no means to find out whether the sale is meant for export or for domestic use or for self-consumption and so on. The Bombay Sales Tax Act says that if you fail to export within a specified time then you will be liable to State sales-tax. You are liable to pay sales-tax at a fixed rate which is fixed by the State. But here this basic element is being denied under the spacious plea of foreign exchange accumulation, foreign trade promotion and so on. I don't know whether it will promote foreign trade or accumulate foreign exchange, but I know that it will accumulate greed, tax-evasion and mischievousness. It will result in denial of rightful revenue by the State Government. So, the Minister should do some re-thinking about it. Heavens are not going to fall if we don't pass the Bill today. All the loopholes should be plugged. The provision relating to sale for export should be redrafted properly with great care to see that this does not lead to tax evasion. Any federation has to promote inter-State trade. It is the duty of the august House to hold the balance equal. Our Government and our Finance Minister cannot do himself in the proverbial role of a monkey trying to hold the scales equal and, in the process if one pan goes up, trying to eat but-

ter from the other. That sort of role is not expected of a federal government. You cannot use this gaarb to deny certain rightful revenue to the State Government.

Assam, Gujarat and Maharashtra are the three oil producing States. Maharashtra trails third because of Bombay High. We have recently passed a legislation to say that all the territorial waters constitute Union Territory. Oil is taken from the Union Territory of India and not from the territory of Maharashtra. There is no question of payment of royalty to Maharashtra as such. Therefore I beg to differ from my friend Mr. Kailas when he said that union government will give royalty to the State of Maharashtra for crude taken out from Bombay High.

DR. KAILAS: I said that the Minister might say so. That is what I said.

SHRI SHIVAJIRAO S. DESHMUKH: What is the use of Minister assuring you something which he cannot enforce later? Millions of tonnes or barrels of crude coming out from Bombay High will help us earn any amount of foreign exchange. It will make us independent of crude imports but it will not add a farthing to the coffers of the State Treasury of Maharashtra! The ONGC sells crude to refineries or manufacturers. Therefore, the State Government of Maharashtra is entitled to levy local sales tax on such sales but under Central Sales Tax even that right will be restricted to the Central Rates. The sale by ONGC is at 6 to 7 dollars. So, there is already the element of subsidy in the tax-levy because of the lowering of sale price. On top of it, the State Government of Maharashtra is denied its right to levy the sales-tax at their own rates. They may include it in the schedule of essential commodities but the rate of taxes should be the same as at the commencement of the Bill. I have given notice of an amendment that even if it is declared as an essential commodity and scheduled under the Central Sales Tax Act, the levy of tax should remain at the same level as at present.

On commencement of the Act, whatever, rates of sales tax may be there, it should be the same. And that is the purpose of the amendment which I have moved. This is a most innocent one. I think it may not cause any serious damage to the reputation and, more so, may not cause any damage to our hon. friend sitting here and who is in charge of this Bill.

The question is: whether the Bill proposes to plug the loophole relating to the protection of the State Governments. The enforcement of this simple Act—federal legislation—of Central Sales Tax was supposed to be done by the State Governments. In the enforcement of the act, the State Government levies a certain penalty or a certain compounding fine or certain fee. The Supreme Court judgment came in the way to say that the State Government, while administering the States Sales Tax cannot levy the penalty and cannot order compounding the fine and all that. In this respect the States have been protected. So far so good.

But, Sir, the other factor is relating to the dealer's right to demand the deposits from them. This has not been correctly put as it ought to have been done ordinarily. I would broadly divide this Bill into three aspects namely the foreign trade and foreign exchange promotion, inter-State trade promotions by means of declaring certain commodities as essential commodities and the third is the crude oil. I feel and I would urge upon the hon. Finance Minister to wait and see that this Bill is referred to the Joint Committee to give their valuable suggestions after deliberations and on the basis of their suggestions, the interests of the State Governments and the Federal Government and also the interests of the international trade can be better safeguarded.

[Shri Shivaji Rao S. Deshmukh]

This reminds me that our hon. Finance Minister, whose name appears to be Shri Pranab Kumar, at present, in charge of this Bill, unfortunately exposes himself to the charge of *pranay kumar* by this sort of lawmaking which is to the detriment of the State Government. I think this will not serve the purpose though the objective of the Bill may be laudable.

Therefore, I would earnestly urge upon the Minister again to see that the consideration of this Bill is postponed and is referred to the Joint Committee and after deliberations therein and after such amendments as the Joint Committee may have to suggest, this Bill might be taken up at the next session. Only then, I think, this House will, in all probality, be entitled to pass this Bill.

With these words, I reluctantly support this Bill with a hope that it will be referred to the Joint Committee.

DR. HENRY AUSTIN (Ernakulam): Mr. Chairman, Sir, the changes contemplated in the Bill are by and large consequential in nature following certain recent judicial pronouncements It is also a fact that this great country, if it is to prosper and progress, has to accelerate its exports.

This consideration had prompted the Finance Minister to introduce this amending Bill. To that extent, the bill is most welcome and I support this. But, when one analyses the various clauses, one finds that sufficient exchange of views has not been made on this issue, it affects first the States and Centre relations. It affects also the inter-State relations. In that way, it also affects the totality of interests concerning the Union and the State Governments The country being so diverse in nature with all its complexities in taxation, it affects the relations of States. Take for instance my own State. We had a taxation scheme known as multi-point levy system. But we found that a large number of small traders have been affected by that. We found that it was almost impossible to identify the real points of sales and purchase and also the real dealer. It was in this context that we thought in terms of a single point levy system as the basic scheme of our Sales Tax Act and by this we have been able to realy identify the real point at which the transaction takes place. It was this broad identification that enabled the State Government to mop up resources to the tune of Rs 23 crores. Now, if this whole scheme is upset, I am sure, the entire scheme of the State Sales Tax will be affected.

Sir, several members seem to be of the opinion that the considerations of the States arising from the complexity of the situation have not been taken into account when this Bill was formulated and that this Bill has been hastily rushed through. It is important that preparatory to bringing a Bill of this nature, we had adequate exchange of views. From the criticism and the cross-section of opinions that have been expresed, it is evident that that process has not been undergone.

Lastly, Sir, in my own State if this Bill becomes a law the monopoly interests will have an upper hand. I have no doubt that a large number of export companies will declare or will manipulate their records in such a way as to make every intermediary of theirs an employee. After the passing of this Bill they will become employees of the exporting companies and, as such, their transactions will be exempted from the operation of this Act This will deprive the State of so much of revenue and tax evasion will become easy. This will only enrich the coffers of the monopoly sector. I, therefore, request that the Finance Minister takes a second look at the Bill. This, I understand, is the general feeling of the House. However, as the Minister feels that it is important that the Bill should be taken into consideration, I suggest, he finds out

some viable alternative so that he may satisfy the various points of view raised in this House.

With these suggestions, I suport the Bill.

श्री मूलचन्द डागा (पाली) : सभापति महोदय इस सदन के बहुत से अनुभवी और बड़े योग्य सदस्यों ने, जिन में श्री स्टीफ़न और डा० हेनरी आस्टिन भी शामिल है, जो विचार प्रकट किये हैं, उन को देखते हुए यह जरूरी है कि भले ही इस बारे में व्हिप इस्यू किया गया हो, लेकिन इस बिल पर एक बार फ़िर विचार करना चाहिये। मुहम्मद सिराजुद्दीन के मुकदमें में सुप्रीम कोर्ट के जजमेंट ने मंत्री महोदय के डिपार्टमेंट में गडबड़ पैदा कर दी है। लेकिन मेहरबानी कर के वह इस सवाल पर गहराई से सोचें। निर्णय करने के पहले दो तीन बात सोचनी होगी। एक जमाने में सिक्स्थ फाईनेंस कमीशन के चेयरमैन श्री ब्रह्मानंद रेड्डी जी थे वह भी इस समय हमारे आप के सामने बैठे हुए हैं। उन्हें मालूम है कि राज्यों की आर्थिक हालत बहुत गिरी हुई है और राज्य अपने तरीके से अपनी आर्थिक हालत सुधारते हैं। आपने कहा था कि राज्यों को आत्म निर्भर बनना चाहिए। सेल्फ़ रिलाइंस की बात आप बार बार करते है। मै जानना चाहता हूं कि राज्यों को सेल्स टैक्स के द्वारा जो आमदनी होती है क्या केन्द्रीय सरकार उस आमदनी की पूर्ति करेगी ? यह मेरा पहला प्रश्न है।

दूसरी बात मैं यह रखना चाहता हूं कि निर्यात के मामले मे जो आप कहते हैं कि जो हमारा माल बाहर जाता है उस का निर्यात बढेगा और निर्यात बढ़ाने के लिए सेन्ट्रल सेल्स टैक्स मे यह अमेंडमेंट लाना पड़ा तो कितना निर्यात आप का इस से बढ जायेगा या कम हो जायेगा; यह आकडा भी आप को देना चाहिये। जैसे केरल के अंदर 23 करोड का घाटा बतलाया और राजस्थान मे भी जो माईका बाहर जाता है उस को एक्सपोर्ट करने के लिये जो एजेंसियां होती हैं और एजेन्ट होते हैं वे इस का लाभ उठाएंगे। आप ने एक बात आपने बिल में कही है कि स्टेट ट्रेडिंग कारपोरेशन जो है एक तो वह और कुछ और लोग जो इस निर्यात का धंधा जानतेहैं, जो विदेशों की हालत को समझते हैं वही निर्यात कर सकते हैं सब नहीं, उन लोगों को जो निर्यात करना पड़ता है उस में वृद्धि होगी। उस निर्यात से फ़ारेन एक्सचेंज की कमाई होती है लेकिन उस के अंदर यह देखना पडेगा कि राज्यों को कितना कितना आर्थिक नुकसान भुगतना पडेगा।

सेल्स टैक्स के मामले मे हमारी निश्चित राय है कि जो उत्पादन प्वाइंट है उसी पर टैक्स लगना चाहिये। हम दूकानदार के पास जाते है दूकानदार यह कहता है कि रसीद मत लो और सेल्स टैक्स हम नही लगाएंगे, उसके कम में हम तुम्हे यह दे देंगे। तो आज भी सेल्स टैक्स की चोरी आम होती हैं। खरीददार दकानों से चीजें खरीदते है लेकिन दूकानदार उन को सेल्स टैक्स की रसीद नही देता। तीसरी बात यह है कि खाद्य पदार्थ और आवश्यक चीजों पर सेल्स टैक्स कम होना चाहिए। जितने खाद्य पदार्थ हैं या स्कूलों मे पढ़ाई जाने वाली किताबे है उन पर सेल्स टैक्स कम किया जाना चाहिए।

बहुत बड़ी बडी बातों में न जा कर मैं यह कहूगा कि इतने माननीय सदस्यों ने जो बात आप की सेवा मे रखी उस में एक बात आप यह बतलाएं कि सिराजुद्दीन का केस देखने के बाद आप के दिमाग मे यह आया कि बाहर का निर्यात बढ़ाने के लिए हमे इस प्रकार की ड्यूटीज को खत्म करना पडेगा सेन्ट्रल सेल्स टैक्स से तो कितना उस से आप का व्यापार बढ जायगा यह आप हमे बतलाएं। एस टी सी ने आप के सामने कौन सा डेटा दिया है कि जिस के आधार पर आप कहते हैं कि इन इन चीजों का निर्यात नही हो सकेगा अगर बिल मंत्रालय ने यह कदम नही उठाया बिल मंत्रालय को यह बात पार्लियामेंट के सामने रखनी चाहिये

[श्री प्रकाशवीर शास्त्री]

कि इन इन चीजों का निर्यात नहीं हो सकेगा और अंतर राष्ट्रीय व्यापार में हम खड़े नहीं रह सकते अगर यह कदम नहीं उठाया गया ? एक तो यह बात हमें मालूम होनी चाहिए ।

दूसरी बात मैं यह जानना चाहता हूं कि राज्यों को जो क्षति होगी आर्थिक क्या केन्द्रीय सरकार उस की पूर्ति करेगी ?

तीसरी बात जो आमदनी सेल्स टैक्स से हो रही है, निर्यात से उस के मुकाबले में हमारी कितनी आमदनी बढ़ जायगी । अगर हम जान ले कि निर्यात से इतनी आमदनी बढ़ जायेगी तो अलग अलग राज्यों के लोग अपनी ड्यूटी छोड़ने के लिये तैयार हो जायेंगे । यह पूरा डेटा हमारे सामने हो तो हम निर्णय ले सकेंगे मैं मानता हूं कि पार्टी का अनुशासन है लेकिन पार्टी के सामने हमें यह भी रखने का हक है कि हम आपसे कहें कि कुछ बातें जिन्हें हम आवश्यक समझते हैं वह हमें बताई जायें । आज के बजाय पांच दिन बाद भी इस बिल को लाया जा सकता है, आगे भी लाया जा सकता है, अगले सेशन में भी लाया जा सकता है । लेकिन इस पर एक बार सारी पार्टियों के लोगों के विचारों को सुन कर आप गौर करें । सेल्स टैक्स के मामले में आपने एक कमेटी मुकर्रर की है और आपने कहा था कि हिन्दुस्तान में हमें एक बहुत बड़ी बात सोचनी है और सेल्स टैक्स के मामले में हमें नये कदम उठाने है । तो एक बार आप इन बातों पर बड़ी गहराई के साथ विचार करें और जो बातें मैं ने उठाई हैं उनका उत्तर देने का कष्ट करें ।

SHRI VASANT SATHE (Akola): Although I have such esteem, regard and appreciation and admiration for my hon. friend Shri Pranab Kumar Mukherjee, Mr Deshmukh claimed him to be Pranay; I do not understand why he was so much enamoured of pranay—today he is emerging as Pralay Mukherjee for the States. You are going to spell pralay for their tax structure. I have not been able to understand this urgency. Why are you rushing through this Bill? I shall come to my points shortly. But I have to register a fundamental objection to this. This is an important Bill which affects the revenues of States and a large number of Members feel about this Bill. I am not saying any secret; it has been stated even by the Leader that Bills like this must be discussed at least in our party meetings. Day before yesterday you circulate the Bill and today you are bringing it. We have had absolutely no opportunity to study the Bill and discuss the consequences with you. Except clause 9 which is being amended to give retrospective effect to certain provisions which were being made difficult due to certain legal decisions and probably clauses 5 and 6, I do not see any benefit in this Bill

Take the provision about declaring certain goods as being in the category of declared goods. I shall take only two points First, crude oil I can understand very well if you say: as a nation we are going to benefit by depriving the State of its right. Then I can understand; it goes into the same kittv. If the nation benefits we can say that from that benefit the States also will share. 10 million tonnes of crude will be produced from Bombay High and it is being distributed all over How is it going to benefit the centre by reducing the sales tax? By reducing sales tax from 8 per cent to 4 per cent, will production increase? What is the logic of this? I can appreciate that in Assam the increase from 2 to 4 per cent will benefit. But why should Gujarat and Maharashtra to deprived? Maharashtra is going to be deprived of nearly Rs. 24 crores. Bombay High crude oil production is going to be about 10 million tonnes per year from 1980 onwards. At a price of $ 10 per barrel, the value of 7.5 million bar-

rels of crude oil is going to be about Rs. 600 crores. This 4 per cent reduction will deprive Maharashtra of a potential revenue of Rs. 24 crores per year. What is the rationale in this and how are you going to compensate the States? We are one of the lowest irrigated States in the country and we want to have more irrigation, but we have no resources. For cotton purchase, even as a commercial proposition, the Reserve Bank was not allowed to give us money. Our farmers starve. Cotton production last year came down from 17 lakh bales to 8 lakhs. What is the policy of the Centre? Do you want to help the poor States by giving them some assistance or to deprive them of even the little they can raise by themselves? In energy production, we will be short by the end of the fifth plan to the extent of 1600 MW. We do not have money and you do not give us money. If we try to raise some money, you want to snatch it away.

Take the second point of encouraging exports. This is one of the weakest statement of objects and reasons I have seen. I sympathise with the minister, but I am sure he is carrying somebody else's baby, although he is very good at carrying babies, I know. This is going to be like a hot ball in your hands. After referring to the STC, the statement of objects and reasons says—there comes the cat out of the bag:

> "In other cases, manufacturers of goods, particularly in the small and medium sector, have to depend upon some experienced export house for exporting the goods, because special expertise is needed for carrying on export trade. Further, if such sales do not quality as sales in the course of export, they would be liable to State sales tax and there would be a corresponding increase in the price of goods. This would make our exports uncompetitive in the fiercely competitive international market."

Will the minister give some statistics as to how many items have become uncompetitive in international makket because of sales tax? Now our exports are going up in spite of the sales tax. So, could you say that our exports would go up by this much percentage. if the sales tax is not there, in the case of traditional items and manufactured goods like engineering goods, electronic and other sophisticated items or even in garments? I can understand it if you say that our sales tax is depriving us of the earning of foreign exchange and if it is reduced or abolished, our export earnings will go up in the case of some particular items. In that case, we will agree to it because it is in the national interest to earn foreign exchange. At the same time, we should bear in mind that there is the normal annual increase in trade. For instance, 18 per cent may become 20 per cent. For heaven's sake, do not take credit for it by saying that this normal increase is due to the abolition of the sales tax. You have to show substantial increase in trade and foreign exchange earnings in respect of some particular items on account of the abolition of sales tax.

After all, who is going to get the benefit of this measure? After some years, if the increase in the earning of foreign exchange is not commensurate with the loss suffered on account of the deprival of sales tax, you will come forward and say "we tried; what could we do; our exports did not pick up; therefore, we could not help it."

If you give an assurance that you will compensate or make good the loss that the States are going to suffer from the reduction of sales tax from the increased export earnings, I can understand it. Otherwise, who is going to get the benefit of this

[Shri Vasant Sathe]

measure? It will mostly be the so-called experienced export houses, including your STC. I do not want to say too much about the STC. Although in terms of amount the export through STC has gone up, if you closely scrutinise it quantitatively, it has not gone up substantially. So, I do not want to give too much of credit to the STC, which in some cases is the sole canalising agent. Of course, in some fields it has done well and all kudos to it.

So far as this limited question is concerned, you have to satisfy us how this measure is going to benefit the States and the nation as a whole. Unless that is done, I am afraid rushing a Bill like this will only land us in difficulties and will result in all-round dissatisfaction.

Perhaps, somebody sitting somewhere in the STC. wanted to push through this measure through the Finance Minister, and he has become a tool, and allowed himself to be used, without studying its implications, without taking his own colleagues into confidence.

SHRI SOMNATH CHATTERJEE (Burdwan): So, you now unwillingly support it!

SHRI VASANT SATHE: Therefore, I must honestly submit that I cannot support the Bill in its present form, except section 9.

I would plead with the hon. Minister to postpone consideration of this Bill Heavens are not going to fall if it is taken up in the next session. After all, by section 9 you are giving retrospective effect. Therefore, whether it is done today or one month hence, nothing is going to be lost. Therefore, as far as other matters are concerned, please see the consensus here. It is practically a unanimous view expressed in this House by State after State that this Bill needs a second look, a closer consideration. And you being such an open-minded person, as we have known always, open to reason and consideration always, I am sure you can appreciate this appeal from us. Kindly agree to have a second look, nothing will be lost. There is no prestige involved. It is not a constitutional amendment or any such thing. Therefore, I would beg of you to put this off for some days and let us consider it coolly so that we can have the mistaken therein corrected, so that the States may not feel that their interests are not being properly safeguarded or looked after by the Centre.

SHRI SOMNATH CHATTERJEE (Burdwan): I am thankful to you for giving me this opportunity.

I must come to the resure of the hon. Minister whether he likes it or not, because I feel that hon. Members, in their espousal of a right cause, have somewhat deviated from the scope of this Bill. When I say "espousal of a right cause" I mean that the States must be given greater and greater revenues and sources of revenue We know and realise that sales tax is the best source of revenue, as our former Finance Minister sitting here will admit, and I believe that at least excise has been keeping pace with sales tax Therefore, we want that there must be additional sources of revenue.

Now, the difficulty lies, so far as the Central Sales Tax is concerned, because of the constitutional provision. The Central Sales Tax, not primarily but actually, deals with sales in the course of inter-State trade and sales in the course of export or import. Under the Constitution, the States are debarred from imposing sales tax on such sales. Therefore, even if you want on behalf of

the States larger revenues in respect of sales, can you get it in respect of such transactions? That is the point.

My hon. friends there are now so much enthusiastic about changing the Constitution. Mr. Sathe is a Member of that Committee which is bringing about "revolutionary" changes in the Constitution Therefore, why don't you think of amending article 286 of the Constitution and give powers to the State Governments to impose sales tax in respect of such sales? I would support you there. No. you are not thinking of that, you are thinking of catching hold of those responsible for so-called anti-national activities, that is the point.

Therefore, the object of this Bill, as I said, is to do certain things ...

SHRI SHIVAJI RAO S. DESHMUKH: We are talking of scheduling of goods, not canalisation of goods, and therefore the question of sales tax does not arise.

SHRI SOMNATH CHATTERJEE: I am not the author of the Constitution. It says:

> "No law of a State shall impose, or authorise the imposition of, a tax on the sale or purchase of goods where such sale or purchase takes place—
>
> (a) outside the State; or
>
> (b) in the course of the import of the goods into, or export of the goods out of, the territory of India"

The position is this In view of the system of canalising of exports which has been evolved in this country, every exporter, big or small, has to go to an export house. So, instead of amending the Central Sales Tax Act, they could have done away with the canalisation system.

If I want to export to a party in England or America, wherever may be, previously, I could do directly. This would have been a direct sale and that would have been exempted from the sales tax. The State would not have been able to levy any tax because of the Constitution of India.

What happens is that the Commerce Ministry brings in this system of canalisation. One has to go to the S. T. C. or the M. M. T C. or any such of the organisations. Previously, it was held to be not a taxable transaction between the M. M. T. C. and the exporter although the exporter enters into a contract with the foreign importer. The M. M. T. C. just comes in between and takes a commission Whether it is doing good to the export trade of the country is not the scope of discussion. Therefore, when you are maintaining the canalisation system, you are bound to come with a law like this. The constitutional mandate is that those sales should not be subject to taxation. That constitutional mandate was being frustrated because of an interpretation put by the Supreme Court that when you are giving the goods to the M. M. T C or the S T C, as at that time the custom frontiers have not been crossed, it is an inter-State sale and, therefore, the State is entitled to levy tax. If you say, you do not mind the export prices being increased and allow the State authorities to levy tax and, if you feel that you have reduced the prices of goods exported by States, you have to bring such a legislation.

What the hon. Members feel and I also feel in principle is that in a proper federal structure there have to be greater and greater powers given to the States for their improvement. That is my fundamental belief. We do not want an all-powerful, all-pervading Cenre, including the power to send the C. R. P. and para-mili-

[Shri Somnath Chatterjee]

tary forces to the States. We want that the States should have greater and greater capacity to develop on their own, on their own resources. Now, the resources of the States are being dried up. I quite see it. I am as much agitated as the other hon. Members. For espousing that cause, you will not have to get full support from us. So far as the principle behind it is concerned, the question is, how to do it. By amending the Central Sales Tax Act or not amending it, you cannot achieve it. That is the point. Therefore, when the Supreme Court gave a particular construction to a particular Section or to a transaction between the canalising agency and the actual exporter, once the Government has stepped in, and when you say that you do not mind a rise in the export price of goods, then this law is not necessary. But if you feel that the export prices must be kept in control, to be able to compete in the export markets, that is another thing.

I am not an expert on that. I cannot say whether the hon. Minister has made any study or my hon. friends have made any study with regard to the actual position regarding the export of goods, how far they can bear additional taxation, whether this must be passed on the actual foreign importer or the M. M. T. C. should bear a portion out of its commission. All these are matters to be worked out. But I should have thought that this law has to be brought about for the purpose of keeping the object of the Constitution in view. I am not trying to give an impression nor that is my view that I do not want the State revenues to be increased. They must be increased. But ways and means must be found out lawfully to do it.

The other aspect of the Bill is about the goods of national importance. What is the position? That is also according to the Constitution. The Constitution says that once certain goods are declared to be of national importance, the State has to carry out the laws made by Parliament with regard to those goods so far as the imposition of sales tax is concerned. The Central Sales Tax Act, 1956, subject to subsequent amendment provides that the State can impose the maximum 4 per cent, the present rate of sales tax. That is an inter-State tax. As we understand, the principle is that there are some goods on which additional amount of tax should not be there and that there should be a single point of taxation so that the prices do not increase. As to what goods should be declared as goods of national importance, that is a matter of controversy. I agree with my friends here that some of the goods may not be given an exemption in the form of being declared as goods of national importance and some may have to be given an exemption. What are those goods? Certainly, this is a matter to be discussed. But once certain goods are declared to be goods of national importance like paddy, coal, etc., then the Constitution immediately comes into the scene, and once this declaration is made, the maximum limit is there. For that, the Central Sales Tax Act further provides, which is not being amended, that in cases of those goods which are declared to be goods of inter-State importance or national importance, if they are subject to inter-State transaction, that amount has to be refunded back to the person who sells the goods. These are the existing laws. Therefore, I would make this request to my hon. friends—they will be participating very joyfully and joyously and willingly in the Constitution amendment process: why don't you bring an amendment there. You will get our moral support at least for one clause. Article 286 requires modification and re-thinking. There is not a single proposal in your Constitution Amendment Bill to increase a single power of the States,

either politically or in any other sphere. You are not thinking of States' power because you think that the power is entitled to remain only in Delhi.

The position being so, I would request the hon. Minister to take the sense of the House into consideration and see that the States' resources are substantially increased, that power is given to the State so that it can increase its revenue lawfully, and for that reason, if you may have to amend the Constitution, you should not hesitate to do so.

THE MINISTER OF STATE IN CHARGE OF THE DEPARTMENT OF REVENUE AND BANKING (SHRI PRANAB KUMAR MUKHERJEE): Mr. Chairman, Sir, I am thankful to the hon. Members for making their observations, though they have not supported the Bill. But I would like to make one thing clear at the very beginning. What Mr. Stephen wanted to point out was about the special and particular problem of Kerala. From that, some hon. Members came to the conclusion that these provisions of the amending Bill would debar the State Government from imposing sales-tax on each and every item at each and every stage. Kerala, because of its peculiar character, because of its single-point taxation nature, the point of identification where they are imposing taxes, will be debarred by the provision of section 3. There is no denial of that fact. But the Sales-Tax Act of Maharashtra, the State from where hon. Member Mr. Vasant Sathe comes and who is championing the cause of State revenue, provides much more incentive to the exporters: any sale taking place for a period of nine months prior to the actual export and at whatever point it may be is entitled to enjoy exemption from the sales-tax. Many other State Governments have multi-points where they are imposing taxes. Therefore, this is not a fact that we are debarring the States, by bringing this piece of legislation, from imposing tax even on the exportable items at all points...

SHRI VASANT SATHE: Why don't you follow Maharashtra?

16.55 hrs.

[SHRI ISHAQUE SAMBHALI *in the Chair*]

SHRI PRANAB KUMAR MUKHERJEE: You were talking about giving concession to the monopoly houses and exporters. We are giving them much less concession. The last sale prior to export would be debarred and the State would not have the right to impose sales-tax. That right originates from article 286 as has been pointed out by Mr. Somnath Chatterjee. We are not debarring States from imposing sales-tax. We are only exercising the rights given to the Central Government, to the Government of India, under article 286 and that too in the context of a judgement given by the Supreme Court. The Supreme Court has said that the transaction which is taking place between the buyer in the foreign country and the exporter in the country, except that transaction, any other transaction would be subjected to the sales tax. To my understanding, and I would explain in detail how, it would affect the exports. We are demanding more and more canalisation of items through STC. If we leave the position as it is, after the interpretation of the Supreme Court, the construction which they have made is that even if the STC purchases a particular item for exports to parties in foreign countries, they will have to pay sales tax as per the interpretation of the Supreme Court in the Serajuddin case. We are saying that when STC is purchasing or any other exporter is purchasing from a person, by establishing the nexus that this is meant for export and that an agreement and order has already been entered into earlier, by establishing

[Shri Pranab Kumar Mukherjee]

that, when the exporter will purchase from a party, in that transaction, in that last sale, he will be exempted from the sales tax This is the provision of clause 3...

SHRI VASANT SATHE: Later on, if it is not exported?

SHRI PRANAB KUMAR MUKHERJEE. If it is not exported, he is violating the contract, he is violating the law and it will have to be taken into account.

In this connection, Mr. Stephen raised the question as to what about a transaction which is taking place in inter-State forum. Clause 4 is taking care of that. When somebody is selling and selling on the *bona fide* faith that this is for export and seeing to the document either the contract or order, whatever it may be and if it is an inter-State sale, it will be covered by clause 4 which reads:

> "Provided that a dealer shall not be liable to pay tax under this Act on any sale of goods which, in accordance with the provisions of sub-section (3) of section 5, is a sale in the course of export of those goods out of the territory of India."

Therefore, the question of sales tax does not arise because it is an inter-State sale and he is selling it on the *bona fide* belief that it is for export. Therefore, the question that arises at a subsequent stage, as pointed out by Mr. Stephen, would not arise and it will be protected under clause 4 of the Bill.

The whole question came out: why should we have it and whether we can make some exception in respect of certain particular items. My submission is that so far as the present provision of the law is concerned, as it has been interpreted by the Law Minister in an earlier case in 1974, we have no power. It is for the Parliament to determine the principle governing the sale or purchase and it is for the Parliament to determine what should be the principle and not for Government by issuing orders or notifications. I would quote the observations of the Law Minister in this connection. It is slightly lengthy. Because this particular point has come and it would come subsequently in the form of amendment, I want to quote it. This is the view of the Law Minister given on 24th April, 1974 when a particular item in the form of aviation fuel was drawn to their attention....

SHRI C. M. STEPHEN: Is it the Law Minister or the Law Ministry?

SHRI PRANAB KUMAR MUKHERJEE: The Law Minister, Mr. H. R. Gokhale. If you want to see the signature, I can show it.

SHRI C. M. STEPHEN: We believe it.

SHRI PRANAB KUMAR MUKHERJEE: It is 24th April, 1974. I quote:

> "The proposed amendment to the Central Sales Tax Act is relatable to the power conferred on Parliament by Article 286 (2) of the Constitution. This enables Parliament by law to formulate principles for determining when a sale or purchase of goods takes place outside the State or in the course of the import of goods into or export of goods out of the territory of India. Thus, Parliament can formulate general principles which would be applicable to all sales and purchases. But it would not be open to it to lay down a principle applicable only to one commodity or a class of commodities.

Consequently, any legislation cannot relate only to aviation fuel. It would have to be general in its terms and would necessarily relate to transactions relating to all goods. The object underlying the proposed amendment is to exempt aviation fuel from the high level of *ad valorem* sales tax which is being levied in two States. But, once an amendment is made, since it can only be general in its terms, it would apply, when it comes into force, to all fuels, lubricants, stores and all other commodities taken on board an international carrier, whether operating by air, land or sea."

Somebody suggested whether traditional items of agricultural products like ginger or pepper could be exempted from the operation by making some enabling provision in the Act itself and whether the State Government would be allowed to impose sales-tax. As per the interpretation of the Law Minister, Government has no such power. Parliament will have to determine the principle.

SHRI C. M. STEPHEN: Am I to take it that if the law permits, the Government will have no objection to assume the power for exempting articles? If an amendment is brought forward and if the law permits as a matter of Government policy, am I to take it that Government will have no objection to assume power so that certain articles or certain class of articles may be exempted from this provision?

SHRI PRANAB KUMAR MUKHERJEE: That is a separate issue. I have myself asked my colleague in the Law Ministry, Dr. Seyid Muhammad to examine this. Therefore, we are not having a closed mind on this aspect. But, as it stands, so far as the advice of the Law Minister is concerned, it does not allow me to bring any amendment in this Act to enable a particular class of commodity to be kept outside the purview of the provision of the Act.

Various points were raised about federal structure and so on. I am sorry to say that the scope of the Bill had been enlarged because somebody thought that we are denying the right of the State to impose sales-tax. In the multiple stage of taxation you will find this in no stage except the last preceding stage and even in Kerala it should be applicable in case of cashew; when cashew is crushed, for getting it processed, at that time, at that processing stage, you could have the power to impose sales tax on it or purchase tax or any other tax if you like to impose on it, but difficulties are there and I had discussion with some Members of Kerala also.

Then the question arose as to what happens when the exporters would purchase directly and treat the purchasers as their agents. How to take care of that? But, I do feel that the State Governments can find out the modality by which these people could be brought within the purview of the law. That is an area which we can consider. (*Interruptions*)

SHRI SHIVAJI RAO S. DESHMUKH: Why can't we do it ourselves?

SHRI PRANAB KUMAR MUKHERJEE: The Central Sales-tax Act itself is administered by the States and not by us. The proceeds are appropriated by them. We simply pass the law. In the name of Parliament this piece of legislation has come. Therefore, it is for the States to administer.

In this connection, somebody raised a question of the rationality of bringing in their the declared goods. It also provides that by Clause (c) of Art. 286, such articles would be brought under declared goods.

[Shri Pranab Kumar Mukherjee]

would not like to mention the names of the States. The hon. Members would appreciate if I quote some figures on how distortion on sensitive items like paddy and rice are taking place. In one State, the purchase tax from paddy is 7 per cent; the purchase tax from rice is 4 per cent. In another State the purchase tax from paddy is 7 per cent while the sales tax from rice is 4 per cent. I would not like to mention the name of the State. The question has come when we are bringing in this piece of legislation without consulting the State Governments. This was a matter which had been taken up with the State Governments at least for the last five or six years. At least half a dozen meetings had taken place. Not merely me—I myself had a meeting with the Chief Ministers and —Babuji himself had a meeting with the Chief Minister and the Agriculture Minister. Simply they did not agree. The hon. Member will agree with me that we wanted to sort out the issue of the Delhi Sales tax with the neighbouring States. We could not arrive at any conclusions It is quite desirable to say, why don't we have discussions? But, after all, at some point of time, we will have to come to some decision. Discussion is all right; exchange of views should be there. But, if in regard to the rice or paddy or pulses which are of sensitive nature and which are consumed all over the country we want to bring some sort of uniformity and we bring them under the category of declared goods, then I find there is no objection. But, one hon Member has raised an objection to that even (*Interruptions*)

My hon. friends from Kerala have conveniently forgotten that this will give some advantage to them because it is a deficit State. All deficit States will get the advantage of it. All surplus States producing rice and paddy will be at a disadvantage. They can get more revenue. Take for instance Punjab and Haryana. They will suffer.

Similarly, the question arises. We took up this point with the State Governments. It is not that we do not take up the matter. It is known to all the hon. Members that regarding the crude, an award has been given regarding the royalty by no less a person than our Prime Minister herself. This was also taken up with Gujarat and Assam. Gujarat is having its crude oil processed in the refinery of its own. But Assam is in a disadvantageous position because the crude of Assam has to come to Barauni and, as a result, it becomes a commodity of inter-State importance

So, they cannot impose more than 4 per cent as sales tax. Because of the fact that refineries are established within the State itself, certain State Governments want to make good of both ends. If we want to bring some sort of uniformity in that respect, I do not see that there is anything wrong in it.

As a result of bringing in uniformity of 4 per cent, each and every State will get the benefit. Otherwise it may happen that in certain commodities it has happened in one State the sales tax is 15 per cent and in another State it is 10 per cent and in yet another State it is 12 per cent. Therefore, the commodity which affects the life of all-India, should be treated as a commodity of sensitive nature and that should be brought under declared goods. Otherwise there should be some kind of uniformity. If a particular commodity is taken in many areas, you will find that some distortion takes place at some place or the other.

Sir, another question has been raised why we did not take into account and what would be the effect on export. Here I would like to submit for the information of hon. Members the figures which I have re-

ceived from my colleague in the Commerce Ministry. One hon. Member said that these are monopoly items and we are enjoying monopoly in the world market. The fact is not like that.

As regards cashew kernel during the year 1974-75 our export was to the extent of 65,000 tonnes whereas in the year 1975-76 it has come down.

SHRI C. K. CHANDRAPPAN (Tellicherry): The Minister is deliberately trying to mislead the House.

SHRI C. M. STEPHEN: The Minister will kindly understand that this is a re-export item.

SHRI PRANAB KUMAR MUKHERJEE: Sir, the hon. Members have made their observations. I have listened to them. I want protection from the Chair. I am not yielding. This is the figure which has been given to me by the Commerce Ministry. In all fairness I must place it before hon Members on the floor of the House The other item is Pepper. In 1974-75 its total export was 26,000 tonnes. In 1975-76 it came down to 24,000 tonnes. Similarly, in the case of Coir it has come down from 42,000 tonnes to 36,000 tonnes. My only contention is that it is not a fact that as you have enjoyed monopoly for some time, so for all time to come you can enjoy that monopoly. You will have to take stock of the international situation and you will have to adjust your strategy accordingly.

Now, the question is to what extent the benefit of exemption from sales-tax would give you relief. It would give relief to the extent as per the interpretation of the Supreme Court in the Serajuddin case. The STC if it purchases will have to pass on the sales-tax to the consumer. If any exporter purchases then also he will have to pass it on to the consumer—whatever may be the element of tax, maybe 4 or 5 per cent. Today you are talking of five per cent. But if you make an analysis of the sales-tax in various States, you will find the State Governments went even beyond the elastic limit to increase the sales-tax so as to mop up additional resources. In some States they had gone up to as high as 15 per cent. Today there is no guarantee that it would remain confined to five or six per cent. There are previous instances. If the hon. Members make an analysis of the enhancement of sales-tax in various States over the last ten years they will find that it has increased by almost 100 per cent That point will have to be taken into consideration.

SHRI VASANT SATHE: But the Minister will realise that the remedy lies somewhere else.

SHRI PRANAB KUMAR MUKHERJEE: This is a provision which we are making not to justify the past action but what would happen in future if I do not take these measures. If I do not protect the organisations like STC or other exporters today and if I do not provide them the facility it would be difficult for them to compete in the international market.

SHRI VASANT SATHE: You have not explained what is the nexus between that and this.

SHRI PRANAB KUMAR MUKHERJEE: They will have to establish the nexus when you are demanding exemption that this is a sale .

SHRI VASANT SATHE: For example, if you said that the cashew nut export has come down so much because of the sales tax, I could understand it.

SHRI PRANAB KUMAR MUKHERJEE: I have not yet brought that piece of legislation. How could I tell it? Still it is taxed.

SHRI K. P. UNNIKRISHNAN (Badagara): He has only been given figures by the Commerce Ministry.

SHRI PRANAB KUMAR MUKHERJEE: The position is that still they are charging the taxes. As I have already explained, many of the State Governments will have the option to readjust their own sales tax laws in such a way that at certain points they would be in a position to identify this. I do agree Kerala has a particular point here because it is single-point taxation, but you cannot equate this case of Kerala with all India. There are certain other States; export items are coming from other areas. Therefore, if there be any particular difficulty with regard to a particular State, would you like that to be an all-India feature?

Therefore, the problem of Kerala, its ways and means problem, the problem of its deficit in revenue, cannot be sorted out in this way It could be taken care of when the Finance Commission takes into account the amount State Governments are losing on account of this They will have to take account of that The way grant-in-aid has been extended is there *(Interruptions)*.

MR. CHAIRMAN: Please do not interrupt him. Mr. Mukherjee, please address the Chair.

SHRI PRANAB KUMAR MUKHERJEE: On the question of ways and means, if you permit me, if a State is having a deficit of, say, Rs. 46 crores, we shall take that into account. There is no denial of that fact. I have already taken it up with State Governments This is not the only exception; there are many States whose ways and means are not good. The Government of India are to take care of it. We shall have to see in what way they can meet their ways and means position, how we can provide them adequate assistance to maintain the tempo of their plans. Therefore, on that count, I can assure hon. members, particularly those from Kerala, that they are losing, there is no denial of it; as a result of this enactment, Kerala will lose some revenue, but in what way we could make good or what would be the alternative agencies, that we shall have to look into.

With these words, other points having been supported by hon. Members. . .

SHRI VASANT SATHE: One point remains. I had referred to that good thing which you said Maharashtra had of putting a limit of 9 months As you know, 9 months is a very good period. Therefore, if in 9 months they do not deliver by exporting, then you should allow, as in Maharashtra, the State to put a tax. Why don't you accept this as a universal proposition for all, as you yourself had said it is a praiseworthy thing?

SHRI PRANAB KUMAR MUKHERJEE: In my scheme, the time limit will be much shorter.

SHRI VASANT SATHE: Where is the scheme at all?

SHRI PRANAB KUMAR MUKHERJEE: In between 9 months, I identify only one particular stage. In the 9 months-scheme of Maharashtra, there may be many more intermediate stages. I would not like to extend the benefit to other stages; I would like to pinpoint it only to the sale preceding export.

SHRI VASANT SATHE: My point is: If export does not take place, what happens?

SHRI PRANAB KUMAR MUKHERJEE: If some hon. members have an apprehension and feel that some time schedule should be there, that is a matter which could be considered. But I would not like any other stages to come in between.

Regarding another point made by one hon. member that while preparing the draft, we had not taken into account the judgment, hon. members should be interested to know that even the Supreme Court Judges were sharply divided, two to two. Regarding the 5th Judge, he decided, because the Chief Justice was there, 'I shall agree with the Chief Justice'. Therefore, there are certain lacunae somewhere; there is no denial of it. Sometimes in law, it happens. In this particular case, even the Judges were sharply divided. But I do agree we should take care of the point in the drafting stage. With these words, I commend the Motion. I hope hon. members will not press their amendments.

SHRI C. M. STEPHEN: I must congratulate him for defending a very indefensible case. He put up a very able defence indeed.

MR. CHAIRMAN: The question is:

"That the Bill further to amend the Central Sales Tax Act, 1956, be taken into consideration."

The motion was adopted.

MR. CHAIRMAN: We take up clause by clause consideration. There is no vaild amendment to clause 2.

The question is:

"That clause 2 stand part of the Bill."

The motion was adopted.

Clause 2 was added to the Bill.

MR. CHAIRMAN: There are some amendments to clause 3.

Clause 3— (*Amendment of Section* 5)

SHRI C. H. MOHAMED KOYA: I beg to move:

'Page 3,—

after line 9, *insert*—

"Provided that nothing contained in this sub-section shall apply to the sales or purchase of hill produce, cashewnut, coconut fibre or its products or sea foods.

Explanation.— For the purpose of this proviso 'hill produce' shall include pepper green and dried ginger lemon grass oil, nuxvomica laurel oil, and kacholam; 'cashew nut' shall include cashew nut with or without shell; 'coconut fibre or its products' shall include coconut fibre, coir yarn and their products and 'sea food' shall include prawns, lobsters, frogs and frog legs"' (3)

SHRI N. SHEEKANTAN NAIR: I beg to move:†

'Page 3.—
after line 9, *insert*—

"Provided that the Government may give exemption to certain States to levy tax on selected items of commodities."'(4).

SHRI C. H. MOHAMED KOYA: Even after the information given by the misguided Minister, I refuse to be convinced.... (*Interruptions*). He has been misinformed by the Ministry of Commerce about cashew nut industry.

SHRI PRANAB KUMAR MUKERJEE: Your amendments do not relate to cashewnut.

SHRI C. H. MOHAMED KOYA: It relates to clause 3. Kerala would be losing Rs. 23 crores. Now he says that the government would look after Kerala; after killing the goose that lays the golden egg, government comes forward and says that it will give us one egg a day. He was quoting from an old letter from the

†Moved with the recommendation of the President.

[Shri C. H. Mohamed Koya]

Law Ministry that we had no powers to accept this amendment. I think Parliament has got powers to accept this and I hope he will accept this amendment.

SHRI N. SREEKANTAN NAIR: I want to speak only a few words about my other amendment. The hon Minister was saying that he could consider only a category of items for this Bill. I am referring to traditional items which were exported long before the present drive to increase exports: additional items may have developed industrial goods, small scale industries, etc. There is nothing which stands in the way of exempting traditional items.

SHRI C. K. CHANDRAPPAN: While supporting the amendment, I should like to ask the hon. Minister one question. He has himself stated that Kerala stands to lose in terms of revenue because of this enactment This amendment has therefore been moved to provide some relief to Kerala. The hon. Minister was good enough to say in the concluding part of his remarks that he would take into account the problems of Kerala and the difficulties arising out of this enactment in Kerala. I should like him to explain it a little further. In what way is he going to provide relief to Kerala, whether he is going to discuss this matter with the Kerala government, now or later, whatever it is?

DR. HENRY AUSTIN: Sir, I have moved the amendment because I genuinely felt that the clauses incorporated in the Bill, if it stayed as they were, would certainly affect the financial interests of Kerala. I am glad that the hon. Minister was able to identify this aspect of the question taking particularly into account the economic background of Kerala. But I would like to know what steps he is contemplating to prevent the monopoly houses from establishing a nexus with the dealers by making the intermediaries as their own employees. If that is allowed, with all the good will he has shown, it would deleteriously affect the interests of Kerala. With this suggestion, I withdraw my amendment.

SHRI C. M. STEPHEN: I had given notice of my amendment, but I was not entitled to move it because of lack of President's recommendation. It came too late. What I had suggested was a permissive provision, whereby I sought to invest the government with the power to spell out the goods which would be covered by sub-sections (1) and (2) of the section and not by subsection (3). His objection was, the law does not permit. The question is whether it can be framed in the nature of a principle that in the case of commodities which are of a monopoly nature and which are dealt with by canalised agencies, this will apply and not for others. Rather than depending on what Mr. Gokhale said some years back, I would request the minister to examine the legal aspect of it, so that the Central Government can exercise their discretion in this particular matter.

He spelt out certain fall in export trade As far as cashew is concerned, this is a case of manufacturers selling straight in the course of export. So, the cashew kernel does not collect any sales tax even under the present law About other commodities, he says, Government can evolve some machinery whereby at a prior stage, they can collect the tax. You should see the nature of the commodities. You are dealing with. The agriculturists bring them to the markets wherefrom the sale takes place straightway on the import-export basis. So, there is only one intermediary stage between the exporter and the final seller. The result is there will be no intermediary stage at which the government can collect any tax. Taking into consideration the nature of the commodities, it will be absolutely impossible for the gov-

ernment to find out a point to collect tax. The entire tax will go down the drain and nothing will be collected. So, the Minister may kindly examine the legal feasibility, the constitutional viability and the legal permissibility of the amendment I have proposed rather than depending on what Mr. Gokhale said in connection with some other thing in a different context.

SHRI PRANAB KUMAR MUKHERJEE: I have covered most of the points in my reply to the debate. I agree with Mr. Stephen that apparently it appears that there may not be any stage where the tax could be levied. We would like to have some detailed studies made about this. Let us go through that exercise in consultation with the Kerala Government. Regarding the constitutional point and legal competence, I have already said that I have asked the Law Minister to re-examine it afresh

About Mr. Chandrappan's point, I have said, when a State is losing certain revenue on account of a certain measure this is a matter to be taken into account by the Planning Commission, Finance Ministry, etc while looking into the ways and means position of the State Government. We are aware of it. When the Finance Commission will go into it, this point will also be taken up by them so that a permanent solution could be sorted out. That is why those matters will have to be looked into. But, as I have explained earlier, I am unable to accept it in the form of an amendment.

MR. CHAIRMAN: I will now put amendment No. 3, moved by Shri Mohamed Koya, to the vote of the House.

Amendment No. 3 was put and negatived.

MR. CHAIRMAN: I will now put amendment No. 4, moved by Shri Sreekantan Nair, to the vote of the House.

Amendment No. 4 was put and negatived.

MR. CHAIRMAN: The question is:

"That clause 3 stand part of the Bill."

The motion was adopted.

Clause 3 was added to the Bill.

Clause 4.—(Amendment of section 6)

SHRI N. SREEKANTAN NAIR: I beg to move:

Page 3,—

after line 16, *insert*—

"Provided further that in the case of traditional goods like Pepper, Coir etc. where sales-tax have never hampered the export of such articles the tax may be levied with the consent of the Government of India" (7).

I have already explained the reasons to the House. If traditional goods are exempted, it would be a class by itself, even if you take Shri Gokhale's legal opinion into consideration. So, it may be accepted.

SHRI PRANAB KUMAR MUKHERJEE: I have nothing to add to what I have already explained.

MR. CHAIRMAN. I will now put amendment No. 7, moved by Shri N. Sreekantan Nair, to the vote of the House.

Amendment No. 7 was put and negatived.

MR. CHAIRMAN: The question is:

"That clause 4 stand part of the Bill".

The motion was adopted.

Clause 4 was added to the Bill.

Clauses 5 and 6 were added to the Bill.

Clause 7— *Amendment of section 14)*

SHRI PRANAB KUMAR MUKHERJEE: I beg to move·

'Page 4, lines 25 and 26, –

omit, "'with effect from the 1st day of September, 1976"'(1)

SHRI SHIVAJI RAO S DESHMUKH: About the scheduling of commodities, I nobody denies that cercalss and pulses are commodities ot all India importance and any steep variation in the levels of sales tax from State to State will add to the hardship of the consumer and, therefore, there should be certain uniformity. But the same cannot be said in the case of crude I do not think in the near future India is likely to have crude in all the States Crude happens to be available only in two States. It is available either offshore or on-shore If it is off-shore, under the Constitution the State is not entitled to any royalty Under this Bill the right of a particular State to levy sales tax according to the old rate will be denied under the specious garb of declaring a commodity as an essential commodity Therefore my amendment says, let the Government have the fullest liberty in the case of all India commodities for inter-State trade but the level of taxation, instead of being 4 per cent as under the Sales-tax Act, should be at the prevailing rates of taxes in the different States As the hon. Minister himself stated Assam is entitled to levy sales tax at 4 per cent, but contents itself with levying only 2 per cent, because it gives it the right to plead with the Prime Minister that it should be given royalty at the rate Rs 45 per tonne, which is disproportionate, but since that benefit is denied to the State of Maharashtra, and the loss of revenue will be Rs. 24 crores if the estimate of crude from Bombay High is taken at 10 million tonnes per annum, this amendment is most necessary to avoid that substantial loss. Let it be fixed once and for all at the existing level of sales tax so that the commodity can be declared a commodity of national importance and yet the Government of Maharashtra will have the right to levy the tax at the existing rate and will have no option to increase the rate subsequently.

SHRI PRANAB KUMAR MUKHERJEE· So far as the present Sales Tax law is concerned, they can impose tax only at the rate of 4 per cent.

MR CHAIRMAN: The question is:

'Page 4, lines 25 and 26,—

omit ",with effect from the 1st day of September, 1976"' (1)

The motion was adopted

MR CHAIRMAN The question is:

"That Clause 7, as amended, stand part of the Bill"

The motion was adopted

Clause 7, as amended, was added to the Bill

Clause 8— (*Amendment of Section 15*)

Amendment made

'Page 5, line 30,—

omit "with effect from the 1st day of September, 1976' ' (2).

(*Shri Pranab Kumar Mukerjee*).

MR CHAIRMAN The question is:

"That Clause 8, as amended, stand part of the Bill"

The motion was adopted

Clause 8, as amended, was added to the Bill

MR CHAIRMAN The question is:

"That Clauses 9 and 1, the Enacting Formula and the Title stand part of the Bill".

The motion was adopted.

Clauses 9 and 1, the Enacting Formula and the Title were added to the Bill.

SHRI PRANAB KUMAR MUKHERJEE: I beg to move:

"That the Bill, as amended, be passed".

MR. CHAIRMAN: The question is:

"That the Bill, as amended, be passed."

The motion was adopted.

17.39 hrs.

STATUTORY RESOLUTION RE: CONTINUANCE IN FORCE OF PROCLAMATION IN RELATION TO THE STATE OF GUJARAT

THE MINISTER OF HOME AFFAIRS (SHRI K. BRAHMANANDA REDDY): I beg to move:

"That this House approves the continuance in force of the Proclamation issued by the President on the 12th March, 1976, under article 356 of the Constitution, in relation to the State of Gujarat, for a further period of six months with effect from the 24th September, 1976."

As Hon. Members would recall, the Proclamation under article 356 of the Constitution was issued by the President in relation to the State of Gujarat on 12th March, 1976, after careful consideration of the report of the Governor and other information received in this regard by the Government. This Proclamation was approved by the Rajya Sabha on 22nd March, 1976 and by the Lok Sabha on 24th March, 1976, and will expire on 23rd September, 1976.

The Gujarat Assembly was, however, kept in suspended animation and it was hoped that the political situation in the State would get stabilised during the short spell of President's Rule lasting for six months but it has not materialised so far to the extent so as to ensure formation of a stable Ministry.

A number of steps have been taken by the Gujarat Government to tone up the administrative machinery in the wake of President's rule. The drive to weed out inefficient and corrupt officials from the public services has been intensified. Since the inception of President's Rule, 238 Government servants have been retired, including 16 Class I and 15 Class II officers. Task forces have been constituted to look into specific aspects of administration so that the administative machinery is geared to meet the challenging task of development. Some of the departments at the Secretariat level have been reorganised to make them into viable units. Concrete steps have been taken to ensure that the grievances of the public are attended to expeditiously and effectively.

The implementation of the 20-point programme has been assigned the highest priority and in that context the gearing up of administrative machinery for fulfilling the objectives of the new economic programme has assumed special importance. A High-Power Committee headed by the Governor and backed up by departmental and inter-departmental Committees has been set up to monitor the execution of the different facets of the programme. The Panchayati Raj Institutions at all levels have been fully associated with the implementation of the programme.

The State Government have been keeping a close watch over the price trends. A number of steps were taken to streamline the public distribution system. Simultaneously, raids and inspections were intensified which enabled the Government to hold the price line. The total number of raids conducted during the President's Rule is 3,762 and 43 traders who were found indulging in malpractices, black-marketeering and profiteering were arrested under MISA.

[Shri K. Brahamananda Reddy]

All this had a very salutary effect and the prices of essential commodities which had shown some upward trend in earlier months, registered a positive fall by mid-August, 1976.

The administrative arrangements for implementation of the Land Ceiling Act have been completed and all the surplus lands are expected to be taken over by June, 1977. A Working Group has been constituted to examine the question of development and disposal of urban vacant lands vesting in Government. The State Government have also proposed to provide landless labourers with financial assistance to enable them to purchase agricultural implements and start cultivation. A comprehensive scheme in this regard has been formulated by the State Government. The disposal of Government waste land has been intensified. The earlier law providing for moratorium on rural debts has been supplemented by a new Presidential law enacted on 15th August, 1976, which provides for liquidation and scaling down of debts of specified categories of small farmers, rural labourers and rural artisans. With a view to provide alternative sources of credit to the weaker sections, efforts have been made to strengthen the primary cooperatives in the state.

It will, therefore, be obvious that the measures taken by the State Government for implementing the economic programme have been siginficant and this programme has laid a firm foundation for purposeful future action to hold aloft the spirit of new economic programme.

The law and order situation in the State showed significant improvement since the promulgation of the President's Rule. The crime situation has shown a downward trend after March, 1976. This was attributable to effective measures taken against the anti-social elements under MISA and normal law. The State Government have also taken prompt and effective measures against newspapers and other publications which indulged in printing of objectionable matters and propaganda prejudicial to the interest of the country.

Gujarat was hit by a severe cyclone followed by heavy rains in June, 1976. The State again came under the grip of floods and heavy rains during July and the first week of August also. Immediate relief measures were undertaken. With a view to lessen the adverse impact of cyclone and floods on agricultural production, arrangements have been made for the supply of necessary inputs like seeds, fertilisers and pesticides and to ensure that no shortage is experienced. Government has also given a total block guarantee to the extent of Rs. 60 lakhs to all the cooperative banks in affected districts in order to enable them to provide credit facilities to cultivators for purchase of seeds and fertilisers.

The present Presidential Proclamation for Gujarat will expire on 23rd September, 1976. Government is now fully engaged in giving a boost to the economic programme and implementing the measures aimed at increasing the efficiency and effectiveness of the State administration. It will be desirable to maintain the current tempo and speed up development and welfare measures in the State for some time more. Government, therefore is of the view that President's rule in Gujarat should be continued for another period of six months with effect from 24th September, 1976.

With these words, I commend the Resolution for the approval of this House.

MR. CHAIRMAN: Motion moved:

"That this House approves the continuance in force of the Proclamation issued by the President on the 12th March, 1976, under article 356 of the Constitution, in

relation to the State of Gujarat, for a further period of six months with effect from the 24th September, 1976."

Mr. K. C. Halder.

*SHRI KRISHNA CHANDRA HALDER (Ausgram): Mr. Chairman, Sir, I rise to oppose this resolution brought forward by hon. Shri Brahmanand Reddy for the extension of the President's rule in Gujarat by six months. I oppose it because I find that the policy of the Government is different for different places. The life of the coalition Ministry in Kerala is being extended again and again. On the other hand in Tamilnadu the Ministry was dissolved even when the elections were only two months away, because the Congress failed to machinate defections in that State, and President's rule was clamped there. In Gujarat again the Congress was defeated. Even after spending colossal amount of money and utilising of the publicity media like radio etc., the Congress failed to gain a majority in Gujarat. Various opposition parties joined together and contested the elections successfully and the Congress were reduced to a minority Various rightist parties formed the Janata front there, we have of course our basic differences with rightist parties, the Congress reluctantly allowed the opposition parties to form a Government as they themselves were reduced to a minority But ever since the formation of the opposition Government in Gujarat, Congress efforts were afoot to engineer defections of the MLA's. The Ayarams-Gyarams were bribed and tempted in various other ways to defect and support the Congress As I have said the Tamilnadu Ministry which commanded a brute majority was dissolved, the life of their own coalition Government in Kerala is being extended again and again and in Gujarat after the Congress was defeated and duly elected opposition Government came in power constant plans were being hatched to effect the defections and topple that Government. In the international field our Government always propagate the philosophy of co-existence among various systems of Government like capitalism, socialism etc. but in our internal politics the noble philosophy of co-existence is totally absent. In our country democracy means, the rule of Congress or of a party loyal to the Congress. No opposition Government is tolerated in any State. The philosophy of peaceful co-existence is to be propagated for others only. You very well know, Sir, that the Namboodripad Government was not tolerated for long. Todays Prime Minister Shrimati Indira Gandhi who was the Congress President at that time set an example to show how a duly elected Government can be removed from power by extra parliamentary methods even when they command a majority. No purpose will be served by criticising and defaming the opposition parties. The actions of the Congress are there for everybody to see and judge Since the declaration of the emergency the Prime Minister herself and various other Ministers of the Congress are continuing unilateral propaganda against the opposition parties, and they have the cheek to speak about democracy!

When the President's rule was first clamped in Gujarat, it was said in this House that this was for the purpose of bringing about stability in that State. The United Opposition parties have different ideas and idiologies and as a result of this they are unable to run the Government efficiently and hence President's rule was necessary to bring about stability in that State. This was the argument of the Government On the one hand, the Congress say that they want opposition and that there is no opposition party capable of forming a Government. On the other hand, whenever a opposition Government is formed in any State the Congress forthwith adopts all sorts

*The original speech was delivered in Bengali.

[Shri Krishna Chandra Halder]

of under hand methods in order to topple that Government. When the President's rule was imposed it was also stated that it was for the purpose of stability and it will not last for long But now we find that stability according to them means stability of President's rule only. Since the imposition of the President's rule vigorous efforts were afoot to effect defections and purchasing of MLA's etc since the beginning of August 1976 we are getting hints in the press that elections are likely in Gujarat now and in their language a democratic Government is going to be formed soon Shri Solanki and Shri Hitendra Desai came for consultation in this connection Some dates were announced when a democratic Government were going to be formed Sir, Out of 178 members of the Assembly, the Congress claims that 104 members are supporting them Sir, even with the support of 89 or 90 members an absolute majority can be attained there I therefore fail to understand why the Congress is unable to form the Government there even when they claim the support of 104 members The only reason is that there is a strong public opinion against the Congress in Gujarat where the Congress were defeated in the elections Then again the majority of the members who were lured to defect and join the Congress now want to become Ministers A factional fight is therefore raging in their party there The question has arisen who will become the Chief Minister Hitendra Desai or M S Solanki? Later it was decided that Madhav Singh Solanki will be the Chief Minister and efforts were being made to bring Hitendra Desai in the Rajya Sabha Now the question is why should the people of Gujarat remain in a state of uncertainty because of factional fight in the Congress ranks Although we know that only the Congress will form Ministry in Gujarat and no body else will be allowed to do that, even then we want an end to President's rule This is because President's rule only means the rule of the bureaucrats If there is a elected Government in power then the people can approach them more easily to place their difficulties and grievances before them. In Gujarat the Congress tried all sorts of machinations to effect defections to their own party but on the other hand the Congress President Shri D. K. Borooah and Shri Mir Qasim and other Congress leaders are feeling grieved and hurt and are getting annoyed when the Congress MLA's in Jammu anw Kashmir are leaving their party being disillusioned about their policies, and are joining the National Conference or other parties I have got an apprehension, Sir, that one day the Centre will intervene in the affairs of Jammu and Kashmir Perhaps Sheikh Abdullah will be removed from power and some Congress man will be put in his place They may be hesitating in this matter because Jammu and Kashmir is a sensitive area But no body can say for certain that no such situation will develop there According to the Congress democracy only means the rule of the Congress and the say of the Congress Anything else is undemocratic

Shri Brahmanand Reddy while moving this resolution listed the various achievements in Gujarat during the course of President's rule In this connection he mentioned about floods and cyclones in Gujarat Here I would like to know what is the total amount that has been spent for the rehabilitation and other relief measures for the victims of floods and cyclones And what was the total number of persons affected by floods and cyclones? I would also like to know whether the relief has been provided impartially to all the victims and sufferers irrespective of their affiliations or only those persons have been provided with relief who had leaning towards the Congress and were recommended by the present administration I saw in the press that in the eastern hill areas of Gujarat 80 per cent of the agricultural labourers are advasis And when these people demand the minimum wages

landlords turn them out and they are not provided with any work or avenues of livelihood. There are so many unemployed. Not only that, various atrocities are also being committed on them. Such reports we are getting in the press. Sir, they are talking about 20-point programme, economic programmes and the 4 or 5 point programmes of crown prince Sanjay Gandhi. How are all these programmes being implemented when the landlords even now refuse to pay the minimum wages to the agricultural labourers and atrocities are being committed on the poor workers by the landlords? Then what is the progress achieved under the President's rule for which they want extension of the President's rule by another six months? Sir, I would like to know how far as the tribal Area Development Plan that was adopted in this House has been implemented till now. What is the number of tribal people and what is the total tribal area that has been benefited by this Tribal Area Development Plan for Gujarat? Sir, I will conclude by saying that we are totally opposed to the extension of the President's rule again and again. We want Constitutionally elected Government to function in a State whether that may be of the Congress or any other party. There should be no undue intervention by the Centre. We find that all over the country people are being arrested indiscriminately under MISA just for wrecking political vengeance and they are not being released. Therefore I will demand that proper democracy must be re-established not only in Gujarat but in the entire country. Sir, I strongly oppose this resolution and demand that the whole country may be allowed to know what is really happening in the State of Gujarat.

SHRI NATWAR LAL PATEL (Mehsana): Mr. Chairman, Sir, I welcome this Resolution presented by the Home Minister for extension of President's rule in the State of Gujarat. President's rule is already there in Gujarat for six months and we extend it further for six months by this Resolution Hon. Members of the House are absolutely aware of the fact as to what happened before President's rule was imposed in the State of Gujarat.

Sir, before President's Rule was imposed in Gujarat, Janta Front Ministry was ruling in Gujarat State. (*Interruptions*) It is relevant to say that, I am not going to be provoked like this. I am speaking here whatever I want to speak.

I would like to tell you here that before President's Rule was imposed, the Janta Front was ruling the State of Gujarat.

MR. CHAIRMAN: You may continue tomorrow.

18.00 hrs.

The Lok Sabha then adjourned till Eleven of the Clock on Wednesday, September 1, 1976/Bhadra 10, 1898 (Saka)

GMGIPND—PMR—1702 LS—JC 2650—21-9-76—978.